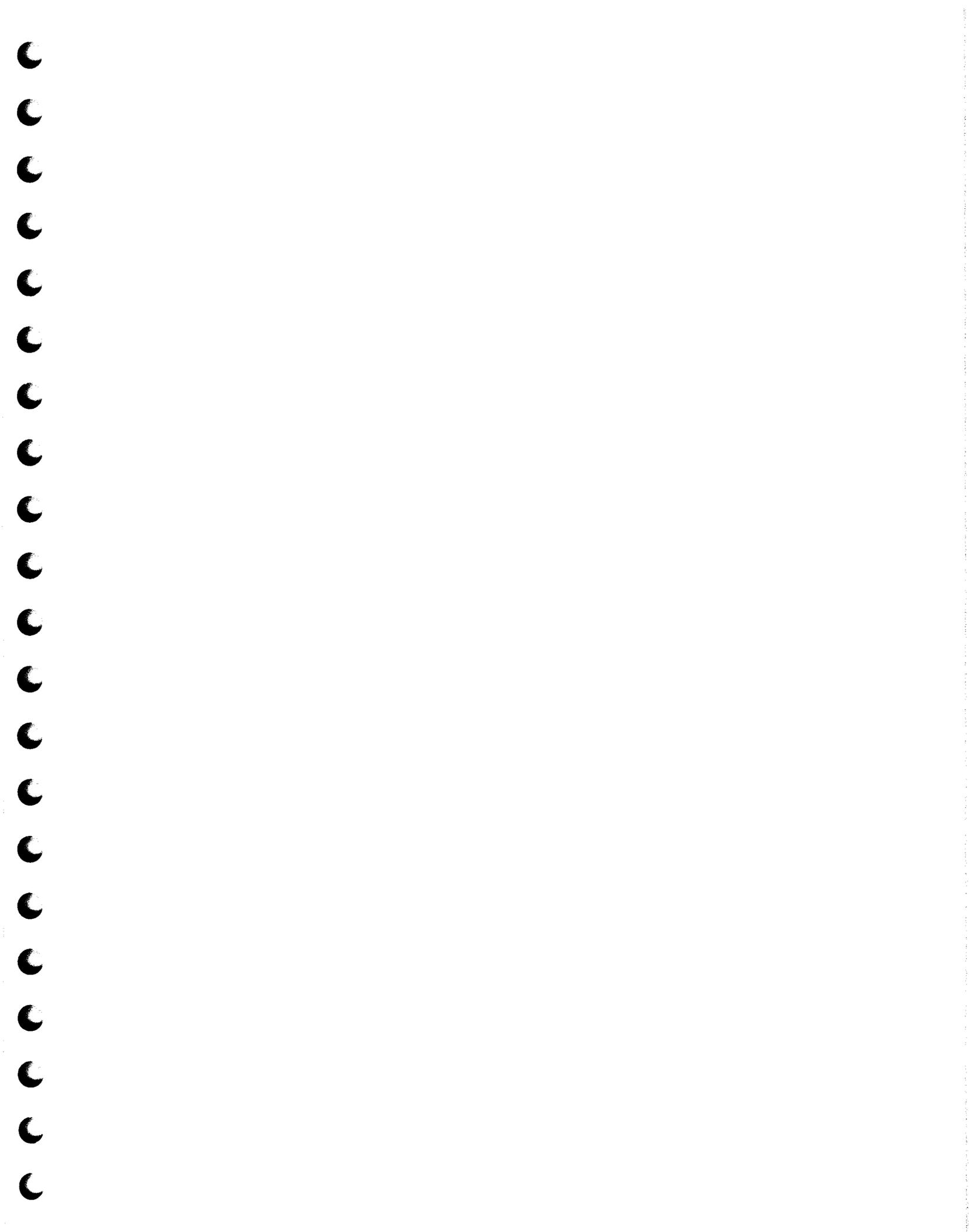


CITY OF EAST PEORIA, ILLINOIS
BASIC FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION
April 30, 2007







CITY OF EAST PEORIA, ILLINOIS

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CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report

Honorable Mayor and Commissioners
City of East Peoria, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of East Peoria, Illinois as of and for the year ended April 30, 2007, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the City of East Peoria, Illinois' management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the City of East Peoria Firefighter's Pension Fund or the City of East Peoria Police Pension Fund, which are included as Pension Trusts in the statement of fiduciary net assets and the statement of changes in fiduciary net assets. Those financial statements were audited by other auditors whose reports thereon have been furnished to us and, in our opinion, insofar as it relates to amounts included for the City of East Peoria Firefighter's Pension Fund and the City of East Peoria Police Pension Fund, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of East Peoria, Illinois as of April 30, 2007, and the respective changes in financial position and the cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2008 on our consideration of the City of East Peoria, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



The management's discussion and analysis on pages 3 through 9, budgetary comparison information on pages 61 and 62, and schedule of funding progress on page 63 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of East Peoria, Illinois' basic financial statements. The combining and individual fund financial statements and Schedules 1 through 6 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Schedules 7 and 8 are not a required part of the basic financial statements, and we did not audit and do not express an opinion on such information.

Goodman, Stockman & Waugh, P.C.

Peoria, Illinois
March 26, 2008



MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

The following is a discussion and analysis of the City of East Peoria for the fiscal year ended April 30, 2007. The intent of the Management Discussion and Analysis (MDA) is to look at the City's financial performance as a whole.

Overview of the Financial Statements

The following discussion and analysis are intended to serve as an introduction to the City of East Peoria's basic financial statements, which are comprised of these components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to financial statements
4. Required supplemental information

Please note that this report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 10 - 13 of this report.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of East Peoria is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to change occurs, regardless of the timing of related cash flows. All changes in net assets are reported on the accrual basis of accounting.

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues. The governmental activities of the City include general government, public safety, sanitation, gaming, maintenance and special projects, long term debt, and miscellaneous. The business-type activities of the City include Water and Sewer operations, EastSide Centre, and Eastport Marina.

East Peoria Mass Transit District, a component unit, although a legally separate entity is considered part of the City's operations and is combined with data of the primary government for government-wide statements presentation.

Separate financial statements for the East Peoria Mass Transit District can be obtained from the East Peoria Mass Transit District, Theresa L. Gualandi, Treasurer, 100 S. Main Street, East Peoria, Illinois, 61611.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of East Peoria like other state and local governments uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in determining what financial resources are available in the near future to finance the City's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 27 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the General Fund, Riverboat Gaming Tax Fund, Special Tax Allocation Fund, Capital Projects Fund, and Bond and Interest Fund. The remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each nonmajor governmental fund is provided in the form of combining statements elsewhere in this report beginning on page 65. The basic governmental fund financial statements can be found on pages 14 - 18.

Proprietary Funds. Proprietary funds are generally used to account for services for which the City charges customers, or internal units of departments of the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses proprietary funds to account for the Water and Sewer Fund, Eastport Marina Fund, and EastSide Centre Fund. The proprietary fund financial statements can be found on pages 19 - 24.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is similar to accounting for proprietary funds. Combined Police/Fire pension trust funds, classified as fiduciary funds, are reported separately from the City's government-wide statements in pages 25 - 26 of this report.

Notes to Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements start on page 27 of this report.

Required Supplemental Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The City adopts an annual budget for all of its governmental funds, except the Capital Projects Fund, Special Assessments Fund, Revolving Loan Fund, and IHDA Grant Fund. A budgetary comparison statement has been provided for the major funds as required supplemental information to demonstrate compliance with these budgets. Also included in the required supplemental information is the Illinois Municipal Retirement Schedule of Funding Progress. This required supplemental information can be found on page 60 of this report.

The combining and individual fund statements referred to earlier provide information for nonmajor governmental funds, fiduciary funds, and proprietary funds and are presented immediately following the required supplementary information.

Government-wide Financial Analysis

City of East Peoria's Net Assets (\$ millions)

	Total Primary Government Activities as of April 30, 2007 and 2006	
	<u>2007</u>	<u>2006</u>
Current and other assets	\$ 42.80	\$ 47.65
Capital assets	<u>114.07</u>	<u>106.64</u>
Total assets	<u>156.87</u>	<u>154.29</u>
Long term liabilities	57.56	60.03
Other liabilities	<u>15.77</u>	<u>12.59</u>
Total liabilities	<u>73.33</u>	<u>72.62</u>
Net assets	<u>\$ 83.54</u>	<u>\$ 81.67</u>
Invested in capital assets, net of related debt	\$ 56.56	\$ 45.40
Restricted	10.42	14.40
Unrestricted	<u>16.56</u>	<u>21.87</u>
Total net assets	<u>\$ 83.54</u>	<u>\$ 81.67</u>

Normal Impact Factors: Net Assets

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Assets summary presentation:

Net Results of Activities - which will impact (increase/decrease) current assets and unrestricted net assets.

Borrowing for Capital - which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital - which will reduce current assets and increase capital assets. There is a second impact. An increase in capital assets and a corresponding increase in related net debt which will not impact the invested in capital assets, net of debt, portion of net assets.

Spending of Nonborrowed Current Assets on New Capital - which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase invested in capital assets, net of debt.

Principal Payment of Debt - which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net assets and increase invested in capital assets, net of debt.

Reduction of Capital Assets through Depreciation - which will reduce capital assets and invested in capital assets, net of debt.

City of East Peoria's Changes in Net Assets (\$ millions)

		<u>2007</u>	<u>2006</u>
Total Primary Government			
(Government and Business Activities)			
Revenues:			
Program revenues:			
Fees, fines, and charges for services		\$ 9.95	\$ 9.70
Operating grants and contributions		.10	-
Capital grants and contributions		-	2.02
General revenues:			
Property taxes and special assessments		5.40	12.14
Sales taxes		10.61	10.02
State income taxes		1.98	1.79
Personal property replacement taxes		1.39	1.25
Motor fuel taxes		.68	.65
Illinois gaming taxes		7.79	8.13
Other taxes		1.28	1.15
Interest/investment income		.88	.85
Miscellaneous		1.78	.01
Gain on sale of capital assets		<u>.64</u>	<u>1.98</u>
Total revenues		<u>\$ 42.48</u>	<u>\$ 49.69</u>

	<u>2007</u>	<u>2006</u>
Expenses:		
Police	\$ 5.49	\$ 5.42
Fire	3.80	3.70
Sanitation	1.04	.90
Health and welfare	1.23	1.44
Public works	4.94	3.17
Intergovernmental	4.07	4.15
General government	8.39	7.45
Community development	.32	.66
Interest on and amortization on long-term debt	2.51	2.59
Water and sewer	6.26	5.72
Eastport Marina	.97	1.11
Eastside Centre	<u>1.59</u>	<u>1.54</u>
Total expenses	<u>\$ 40.61</u>	<u>\$ 37.85</u>
Beginning net assets	\$ 81.67	\$ 69.83
Increase/(decrease) in net assets	<u>1.87</u>	<u>11.84</u>
Ending net assets	<u>\$ 83.54</u>	<u>\$ 81.67</u>

Normal Impacts: Changes in Net Assets

Listed below are various influences on changes in revenue or expense:

Revenues:

Economic Condition - which can reflect a declining, stable, or growing economic environment and have a substantial impact on property, sales, gas, or other tax revenue as well as public spending habits for building permits, elective user fees, and volumes of consumption.

Increase/Decrease in Council Approved Rates - while certain tax rates are set by statute, the City Council has significant authority to impose and periodically increase/decrease rates (parking, permitting, licensing, etc.).

Changing Patterns in Intergovernmental and Grant Revenue (Both Recurring and Nonrecurring) - certain recurring revenues (state revenue sharing, etc.) may experience changes periodically while nonrecurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

Market Impacts on Investment Income - market conditions may cause the investment income to fluctuate depending on average maturity.

Expenses:

Introduction of New Program - within the functional expense categories (Police, Fire, Public Works, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel - changes in service demand may cause the Council to increase/decrease authorized staffing.

Salary Increases (Cost of Living, Merit, and Market Adjustment) - the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the marketplace.

Inflation - while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as chemicals and supplies, fuels, and parts. Some functions may experience unusual commodity specific increases.

Financial Analysis of the Government's Funds

As noted earlier, the City of East Peoria uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of East Peoria's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the City's financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of East Peoria's governmental funds reported combined ending fund balances of \$16.27 million, a decrease of \$8.03 million. Approximately \$9.98 million constitutes undesignated fund balance available for discretionary spending. The remainder of fund balance is reserved or designated and consequently unavailable for new spending because it has already been committed to: 1) liquidate contracts and purchase orders of prior period, 2) pay debt, 3) provide for general liability and health insurance, 4) provide for other restricted purposes.

The General Fund is the chief operating fund of the City of East Peoria. At the end of the current fiscal year, the undesignated General Fund balance was \$5.45 million. The City's total General Fund balance increased \$1.59 million during 2007.

The City continues to abate property tax levies due to reliance upon alternative funding sources, primarily utility taxes and gaming revenues, for annual debt service payments.

City of East Peoria's Capital Assets Net of Depreciation (\$ millions)

	Primary Government	
	<u>2007</u>	<u>2006</u>
Land	\$ 11.86	\$ 12.10
Land improvements	8.60	8.55
Buildings	25.75	25.62
Machinery, equipment, and vehicles	23.31	22.39
Infrastructure	98.47	98.00
Construction in progress	5.10	9.83
Capitalized lease development costs	15.25	-
Accumulated depreciation	<u>(74.27)</u>	<u>(69.85)</u>
Total	<u>\$ 114.07</u>	<u>\$ 106.64</u>

City of East Peoria's Long-term Debt Primary Government (\$ million)

The City of East Peoria owed total bonded debt of \$45.99 million (bond principal portion only) at April 30, 2007. Standard and Poor's has currently assigned a "A" rating for the City's general obligation bonds.

	<u>2007</u>	<u>2006</u>
General obligation bonds	\$ 32.41	\$ 35.61
Project bonds	9.90	11.23
Revenue bonds	1.40	1.67
Special assessment bonds	<u>2.28</u>	<u>2.43</u>
Total	<u>\$ 45.99</u>	<u>\$ 50.94</u>

Requests for Information

This financial report is designed to provide a general overview of the City of East Peoria finances for our taxpayers. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of East Peoria, Theresa L. Gualandi, Treasurer, 100 S. Main Street, East Peoria, Illinois 61611.

CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF NET ASSETS
April 30, 2007

ASSETS	Primary Government			Component Unit	Total Reporting Entity
	Governmental Activities	Business-type Activities	Total Primary Government	City of East Peoria Mass Transit District	
CURRENT ASSETS					
Cash	\$ 6,243,129	\$ 1,238,038	\$ 7,481,167	\$ 68,226	\$ 7,549,393
Investments	1,668,373	-	1,668,373	-	1,668,373
Receivables (net, where applicable, of allowances for estimated uncollectible amounts):					
Property taxes	5,706,011	-	5,706,011	210,618	5,916,629
Sales tax	1,519,880	-	1,519,880	-	1,519,880
State income tax	732,953	-	732,953	-	732,953
Personal property replacement tax	245,821	-	245,821	10,010	255,831
Motor fuel tax allotments	54,829	-	54,829	-	54,829
Gaming tax	695,034	-	695,034	-	695,034
Water and sewer revenue receivables:					
Billed	-	218,261	218,261	-	218,261
Unbilled charges, estimated	-	587,435	587,435	-	587,435
Customer charges	155,572	110,809	266,381	-	266,381
Assessments	420,738	9,154	429,892	-	429,892
Hotel/motel taxes	77,614	-	77,614	-	77,614
Grants	291,085	-	291,085	-	291,085
Notes	108,773	-	108,773	-	108,773
Fines	24,459	-	24,459	-	24,459
Lease	-	50,069	50,069	-	50,069
Other	204,364	-	204,364	-	204,364
Inventory of supplies, at cost	-	18,732	18,732	-	18,732
Internal balances	283,811	(283,811)	-	-	-
Total current assets	18,432,446	1,948,687	20,381,133	288,854	20,669,987
NONCURRENT ASSETS					
Restricted assets:					
Cash	9,829,694	52,602	9,882,296	-	9,882,296
Receivables (net where applicable, of allowances for estimated uncollectible amounts):					
Notes	385,997	-	385,997	-	385,997
Assessments	11,139,187	-	11,139,187	-	11,139,187
Developer	250,000	-	250,000	-	250,000
Unamortized bond issue costs	671,225	91,692	762,917	-	762,917
Capital assets:					
Land	8,210,068	3,647,682	11,857,750	-	11,857,750
Land improvements	1,513,505	7,087,901	8,601,406	-	8,601,406
Buildings	6,490,270	19,254,907	25,745,177	-	25,745,177
Machinery, equipment, and vehicles	10,737,179	12,569,478	23,306,657	-	23,306,657
Infrastructure	59,743,097	38,728,083	98,471,180	-	98,471,180
Construction in progress	3,750,147	1,347,575	5,097,722	-	5,097,722
Capitalized lease development costs	15,257,519	-	15,257,519	-	15,257,519
Accumulated depreciation	(35,266,212)	(39,003,576)	(74,269,788)	-	(74,269,788)
Total noncurrent assets	92,711,676	43,776,344	136,488,020	-	136,488,020
TOTAL ASSETS	\$ 111,144,122	\$ 45,725,031	\$ 156,869,153	\$ 288,854	\$ 157,158,007

LIABILITIES AND NET ASSETS	Primary Government			Component Unit	Total Reporting Entity
	Governmental Activities	Business-type Activities	Total Primary Government	City of East Peoria Mass Transit District	
LIABILITIES					
Accounts payable	\$ 4,410,495	\$ 593,068	\$ 5,003,563	\$ -	\$ 5,003,563
Retainage payable	602,906	131,876	734,782	-	734,782
Wages payable	176,886	47,576	224,462	-	224,462
Interest payable	749,002	11,400	760,402	-	760,402
Pension contribution payable	154,876	-	154,876	-	154,876
Deferred revenue	5,706,010	441,522	6,147,532	-	6,147,532
Due to others	-	-	-	62,820	62,820
Deposits - customers	-	49,554	49,554	-	49,554
Compensated absences	526,786	360,793	887,579	-	887,579
Accrued health claims	250,000	-	250,000	-	250,000
Current portion of long-term debt	1,000,892	555,764	1,556,656	-	1,556,656
Long-term liabilities:					
Compensated absences	1,549,677	60,833	1,610,510	-	1,610,510
General obligation bonds, net of deferred loss, noncurrent	27,620,357	4,015,831	31,636,188	-	31,636,188
Project bonds, net of unamortized discount, noncurrent	9,902,416	-	9,902,416	-	9,902,416
Revenue bonds, net of unamortized discount and deferred loss, noncurrent	-	1,403,706	1,403,706	-	1,403,706
Special assessments payable, noncurrent	2,280,000	-	2,280,000	-	2,280,000
Notes payable, noncurrent	6,982,182	3,747,424	10,729,606	-	10,729,606
Total liabilities	<u>61,912,485</u>	<u>11,419,347</u>	<u>73,331,832</u>	<u>62,820</u>	<u>73,394,652</u>
NET ASSETS					
Invested in capital assets, net of related debt	22,649,726	33,909,325	56,559,051	-	56,559,051
Restricted for debt payments	2,265,315	52,602	2,317,917	-	2,317,917
Restricted for capital projects	8,102,216	-	8,102,216	-	8,102,216
Unrestricted	16,214,380	343,757	16,558,137	226,034	16,784,171
Total net assets	<u>49,231,637</u>	<u>34,305,684</u>	<u>83,537,321</u>	<u>226,034</u>	<u>83,763,355</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 111,144,122</u>	<u>\$ 45,725,031</u>	<u>\$ 156,869,153</u>	<u>\$ 288,854</u>	<u>\$ 157,158,007</u>

The accompanying notes are an integral part of the financial statements.

**CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF ACTIVITIES
Year Ended April 30, 2007**

FUNCTIONS/PROGRAMS	<u>Expenses</u>	<u>Fees, Fines, and Charges for Services</u>
Primary government:		
Governmental activities:		
Police	\$ (5,488,707)	\$ 55,240
Fire	(3,794,076)	30,721
Sanitation	(1,043,955)	-
Health and welfare	(1,229,984)	794,396
Public works	(4,941,839)	1,030
Intergovernmental	(4,065,311)	-
General government	(8,390,823)	1,645,898
Community development	(323,841)	-
Interest on and amortization of long-term debt	<u>(2,505,480)</u>	<u>-</u>
Total governmental activities	<u>(31,784,016)</u>	<u>2,527,285</u>
Business-type activities:		
Water and Sewer	(6,265,544)	5,533,369
Eastport Marina	(973,869)	976,917
Eastside Centre	<u>(1,586,203)</u>	<u>907,682</u>
Total business-type activities	<u>(8,825,616)</u>	<u>7,417,968</u>
Total primary government	<u>\$ (40,609,632)</u>	<u>\$ 9,945,253</u>
Component unit:		
City of East Peoria Mass Transit District	<u>\$ (958,931)</u>	<u>\$ 696,504</u>
GENERAL REVENUES		
Property taxes and special assessments		
Sales taxes		
State income taxes		
Personal property replacement taxes		
Motor fuel taxes		
Illinois gaming taxes		
Other taxes and intergovernmental		
Interest/investment income		
Gain on sale of capital assets		
Other		
TRANSFERS		
Total general revenues and transfers		
Change in net assets		
NET ASSETS - BEGINNING OF YEAR		
NET ASSETS - END OF YEAR		

Net (Expense) Revenue and Changes in Net Assets

<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>		<u>Total Primary Government</u>	<u>Component Unit</u>	<u>Total Reporting Entity</u>
		<u>Governmental Activities</u>	<u>Business-type Activities</u>		<u>City of East Peoria Mass Transit District</u>	
\$ 61,841	\$ 39,274	\$ (5,332,352)	\$ -	\$ (5,332,352)	\$ -	\$ (5,332,352)
-	-	(3,763,355)	-	(3,763,355)	-	(3,763,355)
40,000	-	(1,003,955)	-	(1,003,955)	-	(1,003,955)
-	-	(435,588)	-	(435,588)	-	(435,588)
-	-	(4,940,809)	-	(4,940,809)	-	(4,940,809)
-	-	(4,065,311)	-	(4,065,311)	-	(4,065,311)
-	-	(6,744,925)	-	(6,744,925)	-	(6,744,925)
-	-	(323,841)	-	(323,841)	-	(323,841)
-	-	(2,505,480)	-	(2,505,480)	-	(2,505,480)
<u>101,841</u>	<u>39,274</u>	<u>(29,115,616)</u>	<u>-</u>	<u>(29,115,616)</u>	<u>-</u>	<u>(29,115,616)</u>
-	-	-	(732,175)	(732,175)	-	(732,175)
-	-	-	3,048	3,048	-	3,048
-	-	-	(678,521)	(678,521)	-	(678,521)
-	-	-	(1,407,648)	(1,407,648)	-	(1,407,648)
<u>\$ 101,841</u>	<u>\$ 39,274</u>	<u>\$ (29,115,616)</u>	<u>\$ (1,407,648)</u>	<u>\$ (30,523,264)</u>	<u>\$ (262,427)</u>	<u>\$ (30,523,264)</u>
<u>\$ -</u>	<u>\$ -</u>				<u>\$ (262,427)</u>	<u>\$ (262,427)</u>
		\$ 5,395,474	\$ -	\$ 5,395,474	\$ 211,597	\$ 5,607,071
		10,589,910	16,009	10,605,919	-	10,605,919
		1,977,376	-	1,977,376	-	1,977,376
		1,385,920	-	1,385,920	56,701	1,442,621
		671,282	-	671,282	-	671,282
		7,789,374	-	7,789,374	-	7,789,374
		1,274,292	-	1,274,292	-	1,274,292
		833,893	40,671	874,564	2,308	876,872
		637,204	-	637,204	-	637,204
		1,747,149	31,566	1,778,715	-	1,778,715
		(372,654)	372,654	-	-	-
		<u>31,929,220</u>	<u>460,900</u>	<u>32,390,120</u>	<u>270,606</u>	<u>32,660,726</u>
		2,813,604	(946,748)	1,866,856	8,179	1,875,035
		<u>46,418,033</u>	<u>35,252,432</u>	<u>81,670,465</u>	<u>217,855</u>	<u>81,888,320</u>
		<u>\$ 49,231,637</u>	<u>\$ 34,305,684</u>	<u>\$ 83,537,321</u>	<u>\$ 226,034</u>	<u>\$ 83,763,355</u>

The accompanying notes are an integral part of the financial statements.

CITY OF EAST PEORIA, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
April 30, 2007

ASSETS	General Fund	Riverboat Gaming Tax Fund	Special Tax Allocation Fund	Capital Projects Fund	Bond and Interest Fund	Other Governmental Funds	Total Governmental Funds
Cash	\$ 794	\$ 436,347	\$ 3,213,561	\$ -	\$518,437	\$ 1,659,329	\$ 5,828,468
Investments	1,668,373	-	-	-	-	-	1,668,373
Receivables (net, where applicable, of allowances for estimated uncollectible amounts):							
Property taxes	260,495	-	700,681	241,781	-	4,503,054	5,706,011
Sales tax	1,453,602	-	66,278	-	-	-	1,519,880
State income tax	732,953	-	-	-	-	-	732,953
Personal property replacement tax	183,221	-	-	-	-	62,600	245,821
Motor fuel tax allotments	-	-	-	-	-	54,829	54,829
Gaming tax	-	695,034	-	-	-	-	695,034
Customer charges	-	-	-	-	-	155,572	155,572
Assessments	-	-	-	-	-	420,738	420,738
Hotel/motel taxes	-	-	-	-	-	77,614	77,614
Grants	-	291,085	-	-	-	-	291,085
Notes	-	-	-	-	-	108,773	108,773
Fines	24,459	-	-	-	-	-	24,459
Other	112,088	-	-	-	-	92,276	204,364
Due from other funds	1,858,736	11,932,249	-	5,694,103	19,400	15,388	19,519,876
Restricted assets, cash	-	-	-	8,102,216	1,727,478	-	9,829,694
TOTAL ASSETS	<u>\$ 6,294,721</u>	<u>\$ 13,354,715</u>	<u>\$ 3,980,520</u>	<u>\$ 14,038,100</u>	<u>\$ 2,265,315</u>	<u>\$ 7,150,173</u>	<u>\$ 47,083,544</u>

LIABILITIES AND FUND BALANCE (DEFICIT)	General Fund	Riverboat Gaming Tax Fund	Special Tax Allocation Fund	Capital Projects Fund	Bond and Interest Fund	Other Governmental Funds	Total Governmental Funds
LIABILITIES							
Accounts payable	\$ 519,697	804,597	\$ 28,570	\$ 2,828,971	\$ -	\$ 228,659	\$ 4,410,494
Retainage payable	-	2,000	-	600,906	-	-	602,906
Wages payable	22,517	-	-	-	-	154,369	176,886
Compensated absences	37,668	-	-	-	-	489,118	526,786
Pension obligation payable	-	-	-	-	-	154,876	154,876
Deferred revenue	260,495	-	700,681	241,781	-	4,503,054	5,706,011
Due to other funds	7,967	217,389	13,882,722	4,823,201	-	304,786	19,236,065
Total liabilities	<u>848,344</u>	<u>1,023,986</u>	<u>14,611,973</u>	<u>8,494,859</u>	<u>-</u>	<u>5,834,862</u>	<u>30,814,024</u>
FUND BALANCE (DEFICIT)							
Reserved	-	-	-	8,102,216	2,265,315	-	10,367,531
Unreserved:							
Undesignated, reported in:							
General Fund	5,446,377	-	-	-	-	-	5,446,377
Special Revenue Funds	-	12,330,729	-	-	-	1,315,559	13,646,288
Debt Service Funds	-	-	(10,631,453)	-	-	(248)	(10,631,701)
Capital Projects Fund	-	-	-	(2,558,975)	-	-	(2,558,975)
Total fund balance (deficit)	<u>5,446,377</u>	<u>12,330,729</u>	<u>(10,631,453)</u>	<u>5,543,241</u>	<u>2,265,315</u>	<u>1,315,311</u>	<u>16,269,520</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 6,294,721</u>	<u>\$ 13,354,715</u>	<u>\$ 3,980,520</u>	<u>\$ 14,038,100</u>	<u>\$ 2,265,315</u>	<u>\$ 7,150,173</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Internal Service fund is used by management to charge the costs of employee health insurance to individual funds.

The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net assets.

Receivables are deferred in the funds if they are not available for use in the current period.

Bond issuance costs are reported as expenditures in the funds.

Interest on long-term debt is not recognized in the governmental funds until paid but is recognized as incurred

in the statement of net assets.

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

70,435,573

164,661

11,775,184

671,225

(749,002)

(49,335,524)**NET ASSETS OF GOVERNMENTAL ACTIVITIES**\$ 49,231,637

The accompanying notes are an integral part of the financial statements.

**CITY OF EAST PEORIA, ILLINOIS
 GOVERNMENTAL FUNDS
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE
 Year Ended April 30, 2007**

**General
 Fund**

REVENUES		
Taxes and special assessments	\$ 5,115,311	
Charges for services	-	
Intergovernmental	8,108,772	
Licenses and permits	237,937	
Miscellaneous	1,396,600	
Total revenues	<u>14,858,620</u>	
 EXPENDITURES		
General government	5,556,977	
Police	-	
Fire	-	
Sanitation	-	
Health and welfare	-	
Public works	-	
Intergovernmental	-	
Capital outlay	29,835	
Debt service:		
Principal payments	70,926	
Interest and fiscal charges	269,622	
Bond issuance costs and discounts	-	
Other	-	
Total expenditures	<u>5,927,360</u>	
Excess (deficiency) of revenues over expenditures	<u>8,931,260</u>	
 OTHER FINANCING SOURCES (USES)		
Loan proceeds	-	
Equipment and property sale proceeds	487	
Operating transfers in	-	
Operating transfers out	(7,340,960)	
Total other financing sources (uses)	<u>(7,340,473)</u>	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	1,590,787	
 FUND BALANCE (DEFICIT)		
Beginning of year	<u>3,855,590</u>	
End of year	<u>\$ 5,446,377</u>	

<u>Riverboat Gaming Tax Fund</u>	<u>Special Tax Allocation Fund</u>	<u>Capital Projects Fund</u>	<u>Bond and Interest Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 1,283,103	\$ 191,025	\$ -	\$ 5,798,708	\$ 12,388,147
-	-	-	-	881,387	881,387
7,789,374	-	-	-	1,190,034	17,088,180
-	-	-	-	-	237,937
304,087	2,515	412,882	30,769	772,097	2,918,950
<u>8,093,461</u>	<u>1,285,618</u>	<u>603,907</u>	<u>30,769</u>	<u>8,642,226</u>	<u>33,514,601</u>
175,422	-	-	-	2,505,510	8,237,909
-	-	-	-	4,724,583	4,724,583
-	-	-	-	3,358,798	3,358,798
-	-	-	-	903,170	903,170
-	-	-	-	1,078,399	1,078,399
566,779	26,276	8,132,987	-	1,886,553	10,612,595
3,954,050	111,261	-	-	-	4,065,311
1,785,426	-	-	-	664,294	2,479,555
632,597	1,401,966	-	2,345,000	183,354	4,633,843
226,856	1,494,447	-	151,581	167,488	2,309,994
-	-	-	-	-	-
-	11,000	160,153	150	152,538	323,841
<u>7,341,130</u>	<u>3,044,950</u>	<u>8,293,140</u>	<u>2,496,731</u>	<u>15,624,687</u>	<u>42,727,998</u>
<u>752,331</u>	<u>(1,759,332)</u>	<u>(7,689,233)</u>	<u>(2,465,962)</u>	<u>(6,982,461)</u>	<u>(9,213,397)</u>
656,066	-	-	-	-	656,066
-	900,000	-	-	-	900,487
1,369	-	-	250,000	6,793,306	7,044,675
-	-	-	-	(76,369)	(7,417,329)
<u>657,435</u>	<u>900,000</u>	<u>-</u>	<u>250,000</u>	<u>6,716,937</u>	<u>1,183,899</u>
1,409,766	(859,332)	(7,689,233)	(2,215,962)	(265,524)	(8,029,498)
10,920,963	(9,772,121)	13,232,474	4,481,277	1,580,835	24,299,018
<u>\$ 12,330,729</u>	<u>\$ (10,631,453)</u>	<u>\$ 5,543,241</u>	<u>\$ 2,265,315</u>	<u>\$ 1,315,311</u>	<u>\$ 16,269,520</u>

The accompanying notes are an integral part of the financial statements.

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**CITY OF EAST PEORIA, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended April 30, 2007**

Amounts reported for governmental activities in the statement of activities (pages 12 and 13) are different because:

Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses - total governmental funds (page 17)	<u>\$ (8,029,498)</u>
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital outlay, including capital outlay included in Public Works expenditures	10,698,951
Depreciation expense	<u>(2,760,348)</u>
	<u>7,938,603</u>

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets	<u>(289,102)</u>
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Loans made are considered expenditures in the governmental funds. Portions of receivables are not considered current financial resources and therefore portions of payments are recognized as revenues for the governmental funds. The net effect of these transactions is as follows:

Net change in long-term notes receivable	305,124
Net change in long-term special assessment receivable	<u>(748,756)</u>
	<u>(443,632)</u>

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt issued or incurred:	
Current year proceeds from notes payable	(656,066)
Principal repayments:	
Bonds	4,045,000
Notes payable	588,843
Amortization of discounts (accretion of premiums) on refunding	(24,402)
Amortization of bond issuance costs	<u>(85,209)</u>
	<u>3,868,166</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(98,325)</u>
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The change in net assets of the internal service fund is reported with governmental activities.	<u>(132,608)</u>
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CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES (PAGE 13)	<u>\$ 2,813,604</u>
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The accompanying notes are an integral part of the financial statements.

CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
April 30, 2007

ASSETS	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Fund
	Water and Sewer Fund	Eastport Marina Fund	Eastside Centre Fund	Total	Fund
CURRENT ASSETS					
Cash - operating accounts	\$ 833,241	\$ 389,874	\$ 14,923	\$ 1,238,038	414,661
Water and sewer revenue receivables:					
Billed	218,261	-	-	218,261	-
Unbilled charges, estimated	587,435	-	-	587,435	-
Customer charges	-	110,809	-	110,809	-
Assessments receivable	9,154	-	-	9,154	-
Lease receivable	-	37,955	12,114	50,069	-
Inventory of supplies, at cost	18,732	-	-	18,732	-
	<u>1,666,823</u>	<u>538,638</u>	<u>27,037</u>	<u>2,232,498</u>	<u>414,661</u>
Total current assets					
RESTRICTED CASH ASSETS					
Revenue bond reserves:					
Bond and interest account	52,602	-	-	52,602	-
	<u>52,602</u>	<u>-</u>	<u>-</u>	<u>52,602</u>	<u>-</u>
CAPITAL ASSETS					
Land	456,274	2,850,000	341,408	3,647,682	-
Land improvements	1,605,246	3,119,800	2,362,855	7,087,901	-
Buildings	11,275,435	2,305,232	5,674,240	19,254,907	-
Machinery, equipment, and vehicles	11,363,192	412,343	793,943	12,569,478	-
Infrastructure	38,728,083	-	-	38,728,083	-
Construction in progress	1,347,575	-	-	1,347,575	-
Less accumulated depreciation	(33,314,802)	(2,626,302)	(3,062,472)	(39,003,576)	-
	<u>31,461,003</u>	<u>6,061,073</u>	<u>6,109,974</u>	<u>43,632,050</u>	<u>-</u>
Net capital assets					
OTHER ASSETS					
Bond issue costs, net of amortization	91,692	-	-	91,692	-
	<u>91,692</u>	<u>-</u>	<u>-</u>	<u>91,692</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 33,272,120</u>	<u>\$ 6,599,711</u>	<u>\$ 6,137,011</u>	<u>\$ 46,008,842</u>	<u>\$ 414,661</u>

LIABILITIES AND NET ASSETS	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Fund
	Water and Sewer Fund	Eastport Marina Fund	Eastside Centre Fund	Total	
CURRENT LIABILITIES					
Accounts payable	\$ 504,647	75,512	\$ 12,909	\$ 593,068	\$ -
Retainage payable	131,876	-	-	131,876	-
Due to other funds	139,517	144,294	-	283,811	-
Wages payable	34,027	-	13,549	47,576	-
Interest payable	11,400	-	-	11,400	-
Deposits - customers	49,554	-	-	49,554	-
Compensated absences	320,556	-	40,237	360,793	-
Deferred revenue	-	441,522	-	441,522	-
Accrued health claims	-	-	-	-	250,000
Current portion of long-term debt	546,967	-	8,797	555,764	-
Total current liabilities	1,738,544	661,328	75,492	2,475,364	250,000
LONG-TERM DEBT					
Compensated absences, noncurrent	-	-	60,833	60,833	-
General obligation bonds, net of deferred loss, noncurrent	4,015,831	-	-	4,015,831	-
Revenue bonds, net of unamortized discount and deferred loss, noncurrent	1,403,706	-	-	1,403,706	-
Notes payable, noncurrent	3,561,441	-	185,983	3,747,424	-
Total long-term debt	8,980,978	-	246,816	9,227,794	-
Total liabilities	10,719,522	661,328	322,308	11,703,158	250,000
NET ASSETS					
Invested in capital assets, net of related debt	21,933,058	6,061,073	5,915,194	33,909,325	-
Net assets - restricted	52,602	-	-	52,602	-
Net assets (deficit) - unrestricted	566,938	(122,690)	(100,491)	343,757	164,661
Total net assets	22,552,598	5,938,383	5,814,703	34,305,684	164,661
TOTAL LIABILITIES AND NET ASSETS	\$ 33,272,120	\$ 6,599,711	\$ 6,137,011	\$ 46,008,842	\$ 414,661

The accompanying notes are an integral part of the financial statements.

**CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
Year Ended April 30, 2007**

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Water and Sewer Fund</u>	<u>Eastport Marina Fund</u>	<u>Eastside Centre Fund</u>	<u>Total</u>	<u>Activities Internal Service Fund</u>
OPERATING REVENUES					
Water sales	\$ 2,368,858	\$ -	\$ -	\$ 2,368,858	\$ -
Sewer service charges	2,748,526	-	-	2,748,526	-
Fuel sales	-	262,312	-	262,312	-
Storage and rentals	-	713,305	19,265	732,570	-
Fees for services	-	-	641,047	641,047	-
Tap-in charges	109,073	-	-	109,073	-
Water assessments	34,146	-	-	34,146	-
Sewer assessments	74,547	-	-	74,547	-
Penalties	97,892	-	-	97,892	-
Individual sewer permits	1,350	-	-	1,350	-
Contractors' sewer permits	1,050	-	-	1,050	-
Sewer inspection fees	2,940	-	-	2,940	-
Sewer connection fees	58,590	-	-	58,590	-
Concession sales	-	-	189,431	189,431	-
Charges for coverage	-	-	-	-	2,647,830
Miscellaneous	36,397	1,300	57,939	95,636	52,809
Total operating revenues	5,533,369	976,917	907,682	7,417,968	2,700,639
OPERATING EXPENSES					
Water department	2,078,027	-	-	2,078,027	-
Sewer department	1,886,972	-	-	1,886,972	-
Sewer maintenance department	315,190	-	-	315,190	-
Eastport Marina	-	752,981	-	752,981	-
Eastside Centre	-	-	1,296,589	1,296,589	-
Depreciation	1,566,307	212,166	278,947	2,057,420	-
Insurance claims	-	-	-	-	2,845,522
Total operating expenses	5,846,496	965,147	1,575,536	8,387,179	2,845,522
Operating income (loss)	(313,127)	11,770	(667,854)	(969,211)	(144,883)
NONOPERATING REVENUES (EXPENSES)					
Interest	35,978	4,665	28	40,671	12,275
Reimbursements	31,566	-	-	31,566	-
Municipal sales tax	-	-	16,009	16,009	-
Interest and fiscal charges	(403,730)	(8,722)	(10,667)	(423,119)	-
Amortization of bond issue costs	(15,318)	-	-	(15,318)	-
Total nonoperating revenues (expenses)	(351,504)	(4,057)	5,370	(350,191)	12,275
Income (loss) before operating transfers, carried forward	(664,631)	7,713	(662,484)	(1,319,402)	(132,608)

CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
Year Ended April 30, 2007

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Water and Sewer Fund</u>	<u>Eastport Marina Fund</u>	<u>Eastside Centre Fund</u>	<u>Total</u>	<u>Activities Internal Service Fund</u>
Income (loss) before operating transfers, brought forward	\$ (664,631)	\$ 7,713	\$ (662,484)	\$ (1,319,402)	\$ (132,608)
TRANSFERS IN	<u>75,000</u>	<u>-</u>	<u>297,654</u>	<u>372,654</u>	<u>-</u>
CHANGE IN NET ASSETS	(589,631)	7,713	(364,830)	(946,748)	(132,608)
TOTAL NET ASSETS - BEGINNING OF YEAR	<u>23,142,229</u>	<u>5,930,670</u>	<u>6,179,533</u>	<u>35,252,432</u>	<u>297,269</u>
TOTAL NET ASSETS - END OF YEAR	<u>\$ 22,552,598</u>	<u>\$ 5,938,383</u>	<u>\$ 5,814,703</u>	<u>\$ 34,305,684</u>	<u>\$ 164,661</u>

The accompanying notes are an integral part of the financial statements.

CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended April 30, 2007

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Water and</u>	<u>Eastport</u>	<u>Eastside</u>	<u>Total</u>	<u>Activities</u>
	<u>Sewer Fund</u>	<u>Marina Fund</u>	<u>Centre Fund</u>		<u>Internal</u>
					<u>Service</u>
					<u>Fund</u>
CASH FLOWS FROM OPERATING					
ACTIVITIES					
Receipts from customers and users	\$ 5,465,776	\$ 921,684	\$ 907,682	\$ 7,295,142	\$ 2,700,639
Payments to suppliers and employees	(3,697,099)	(671,762)	(1,231,095)	(5,599,956)	(2,845,522)
Net cash provided by (used in) operating activities	<u>1,768,677</u>	<u>249,922</u>	<u>(323,413)</u>	<u>1,695,186</u>	<u>(144,883)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Net receipt (disbursements for refunds) of customer deposits	279	(3,869)	-	(3,590)	-
Reimbursements	31,566	-	-	31,566	-
Municipal sales tax	-	-	16,009	16,009	-
Transfer from other funds	<u>75,000</u>	<u>-</u>	<u>297,654</u>	<u>372,654</u>	<u>-</u>
Net cash provided by (used in) noncapital financing activities	<u>106,845</u>	<u>(3,869)</u>	<u>313,663</u>	<u>416,639</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from issuance of notes payable	934,955	-	-	934,955	-
Principal payments on notes payable	(240,396)	-	(8,598)	(248,994)	-
Interest and fiscal charges paid on revenue bonds and notes payable	(372,583)	(8,722)	(10,667)	(391,972)	-
Capital expenditures	(1,788,624)	(15,556)	(34,566)	(1,838,746)	-
Principal payment on bonds	<u>(490,000)</u>	<u>-</u>	<u>-</u>	<u>(490,000)</u>	<u>-</u>
Net cash used in capital and related financing activities	<u>(1,956,648)</u>	<u>(24,278)</u>	<u>(53,831)</u>	<u>(2,034,757)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	35,978	4,665	28	40,671	12,275
Collections on lease receivable	-	-	129	129	-
Addition to lease receivable	<u>-</u>	<u>(1,561)</u>	<u>-</u>	<u>(1,561)</u>	<u>-</u>
Net cash provided by investing activities	<u>35,978</u>	<u>3,104</u>	<u>157</u>	<u>39,239</u>	<u>12,275</u>
NET INCREASE (DECREASE) IN CASH	(45,148)	224,879	(63,424)	116,307	(132,608)
CASH AT BEGINNING OF YEAR	<u>930,991</u>	<u>164,995</u>	<u>78,347</u>	<u>1,174,333</u>	<u>547,269</u>
CASH AT END OF YEAR	<u>\$ 885,843</u>	<u>\$ 389,874</u>	<u>\$ 14,923</u>	<u>\$ 1,290,640</u>	<u>\$ 414,661</u>

CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended April 30, 2007

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Water and Sewer Fund</u>	<u>Eastport Marina Fund</u>	<u>Eastside Centre Fund</u>	<u>Total</u>	<u>Activities Internal Service Fund</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income (loss)	\$ (313,127)	\$ 11,770	\$ (667,854)	\$ (969,211)	\$ (144,883)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	1,566,307	212,166	278,947	2,057,420	-
Loss on disposal of capital assets	-	-	780	780	-
Effect of changes in operating assets and liabilities:					
Customer charges and receivables	(69,777)	1,362	-	(68,415)	-
Assessments receivable	2,184	-	-	2,184	-
Inventory of supplies	7,923	-	-	7,923	-
Prepaid expenses	-	26,707	-	26,707	-
Accounts payable, retainage, and wages payable	471,766	54,512	(7,795)	518,483	-
Compensated absences	103,401	-	72,509	175,910	-
Deferred revenue	-	(56,595)	-	(56,595)	-
Total adjustments	<u>2,081,804</u>	<u>238,152</u>	<u>344,441</u>	<u>2,664,397</u>	<u>-</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>\$ 1,768,677</u>	<u>\$ 249,922</u>	<u>\$ (323,413)</u>	<u>\$ 1,695,186</u>	<u>\$ (144,883)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
During the year, the following noncash activities occurred:					
Amortization of issuance discounts and loss on refunding	\$ 31,982	\$ -	\$ -	\$ 31,982	\$ -

The accompanying notes are an integral part of the financial statements.

CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF FIDUCIARY NET ASSETS
April 30, 2007

	<u>Pension Trusts</u>	<u>Agency</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 759,993	\$ 21,392	\$ 781,385
Receivables:			
Employer	1,855,777	-	1,855,777
Plan members' contributions	47,761	-	47,761
Accrued interest and dividends	244,313	-	244,313
Total receivables	<u>2,147,851</u>	<u>-</u>	<u>2,147,851</u>
Investments, at fair value:			
Money market funds	1,375,382	-	1,375,382
U.S. Government notes and bonds	11,414,966	-	11,414,966
U.S. Government agency obligations	3,790,124	-	3,790,124
Mutual funds	1,388,974	-	1,388,974
Common stocks	10,633,646	-	10,633,646
Total investments	<u>28,603,092</u>	<u>-</u>	<u>28,603,092</u>
Total assets	<u>31,510,936</u>	<u>21,392</u>	<u>31,532,328</u>
LIABILITIES			
Accounts payable and accrued payroll taxes	3,883	-	3,883
Amounts held for others	-	21,392	21,392
Total liabilities	<u>3,883</u>	<u>21,392</u>	<u>25,275</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFIT OBLIGATION			
	<u>\$ 31,507,053</u>	<u>\$ -</u>	<u>\$ 31,507,053</u>

The accompanying notes are an integral part of the financial statements.

CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
Year Ended April 30, 2007

**Pension
Trusts**

ADDITIONS

Contributions:

Plan members' contributions	\$ 473,596
Employer contributions	1,870,594
Transfer of creditable service	<u>142,331</u>

Total contributions	<u>2,486,521</u>
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Investment income:

Net realized and unrealized gains on investments	1,239,476
Dividends and interest	<u>1,130,894</u>

Total investment income	2,370,370
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Less investment expenses	<u>170,988</u>
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Net investment income	<u>2,199,382</u>
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Total additions	<u>4,685,903</u>
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DEDUCTIONS

Benefits paid	2,059,287
Refunds of contributions	2,339
Administrative expenses	<u>84,154</u>

Total deductions	<u>2,145,780</u>
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NET INCREASE	2,540,123
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NET ASSETS HELD IN TRUST FOR PENSION**BENEFITS**

Beginning of year	<u>28,966,930</u>
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End of year	<u>\$ 31,507,053</u>
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The accompanying notes are an integral part of the financial statements.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of East Peoria, Illinois (City) is a municipality located in Central Illinois. Revenues are substantially generated as a result of taxes assessed and allocated to the City (examples would be property, sales, gaming, purchase, and hotel), charges for services performed, and governmental grants. Revenues are therefore dependent on the economy within the territorial boundaries of the City and nearby surrounding area and the appropriations of grant entitlements. Taxable industry within the area is primarily manufacturing and retail. The surrounding area has a substantial agricultural base. Additionally, there are large nonprofit employers such as hospitals and other local governments within the area.

The following is a summary of the more significant accounting policies of the City.

(a) Financial Reporting Entity

For financial reporting purposes, in accordance with Section 2100 of the *Codification of Governmental Accounting and Financial Reporting Standards*, the City of East Peoria, Illinois, is a primary government in that it is a city with a separately elected governing body - one that is elected by the citizens in a general, popular election and is fiscally independent of other units of government.

The City has developed criteria to determine whether other entities are component units of the City. Component units are legally separate organizations for which the elected officials of the City of East Peoria are financially accountable. The City of East Peoria would be considered financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will (significantly influence the programs, projects, activities, or level of services performed or provided by the organization) on the organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City of East Peoria (i.e., entitled to or can access the organization's resources, is legally obligated or has otherwise assumed the obligation to finance deficits of, or provide financial support to the organization, or is obligated in some manner for the debt of the organization). If an organization is fiscally dependent on the City of East Peoria, the City is considered financially accountable regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board.

Blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit is reported in a separate column/row in the government-wide statements to emphasize that it is legally separate from the government.

City of East Peoria is not a component unit of any other entity. However, an entity which meets criteria as a component unit of the City is as follows:

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Financial Reporting Entity (Continued)

Discretely Presented Component Unit

East Peoria Mass Transit District

The East Peoria Mass Transit District was organized to provide bus transportation to the City of East Peoria, Illinois through a contractual agreement with the Greater Peoria Mass Transit District.

The year end for the East Peoria Mass Transit District is June 30.

Complete financial statements for the District may be obtained at the following address:

East Peoria Mass Transit District
100 S. Main Street
East Peoria, Illinois 61611

(b) Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets, including discretely presented component units, and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied for budgetary purposes. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes, licenses, fines, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance/net assets, revenues, and expenditures/expenses.

Governmental Funds

Governmental Funds are those through which governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable resources and the related liabilities are accounted for through governmental funds. The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. This fund pays the general operating expenditures, the fixed charges, and the capital improvement costs that are not paid through other funds.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Governmental Funds (Continued)

Riverboat Gaming Tax Fund - This fund is used to collect and disburse riverboat gaming taxes.

Special Tax Allocation Fund - This fund is used to account for the activities of the various tax increment financing districts in the City.

Capital Projects Fund - This fund is used to account for development projects being carried out by the City. Such projects are financed by proceeds from general obligation bonds, loan proceeds, and tax increment financing taxes.

Bond and Interest Fund - This fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

Proprietary Funds

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports the following major proprietary funds:

Water and Sewer Fund - The Water and Sewer Fund is used to account for the water and sewer services offered to the residents of the City.

Eastport Marina Fund - The marina accounts for the boating services offered to the public.

Eastside Centre Fund - The Eastside Centre accounts for the athletic events and health club memberships that are offered to the public.

Additionally, the City reports the following fund types:

Internal Service Fund - The Internal Service Fund is used by the City to account for employee health benefits provided to other funds on a cost-reimbursement basis.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Pension Trust Funds - The Pension Trust Funds account for the activities of the City of East Peoria Police and Firefighter's Pension Funds, which accumulate resources for retirement, death, and disability benefits to the police and firemen of the City or their beneficiaries.

Agency Funds - The Agency Funds are utilized to account for monies and properties received and held by the City in a trustee or custodial capacity for other entities, such as employees, other governments or nonpublic organizations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal on-going operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted as they are needed.

(d) Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. The City's property tax is levied each year at the time the budget for the ensuing year is passed and is extended against the assessed valuation of the City on January 1. Taxes are due and payable in two installments in June and September at the County Collector's office. Sale of taxes on any uncollected amounts is prior to November 30. Distribution to all taxing bodies, including City funds, is also made prior to November 30.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Property Taxes (Continued)

Property taxes reflected as receipts/revenues in the governmental fund financial statements for fiscal year 2007 represent the 2005 tax levy which was received by the City during the months of July 2006 through November 2006 and the 2006 tax levy received through June 30, 2007. For the year ended April 30, 2007, due to the late distribution of the first installment of property taxes by the County Collector's office, the entire 2006 tax levy recorded as receivable was reflected as deferred revenue.

(e) Budgetary Data - Primary Government

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- (1) At a regular or special call meeting of the City Council in November, the proposed budget for the fiscal year commencing on the following May 1 is submitted. The budget includes proposed expenditures and the means of financing them.
- (2) Prior to May 1, the final budget is legally enacted through passage of an appropriation ordinance.
- (3) Transfers of budgeted amounts among object classifications, or any budget increases by means of an emergency or supplemental appropriation, require approval by a majority of the City Council members. Adjustments made during the year are reflected in the budget information included in the financial statements.

The City prepares its budget on a basis of accounting (cash basis) that differs from generally accepted accounting principles (GAAP).

The major differences between the budgetary basis of accounting and GAAP are that:

- (1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP); and
- (2) Expenditures are recorded when payments are made (budget) as opposed to when the liability is incurred (GAAP).

An amended budget was not prepared for the City, therefore, the original budget is the final budget.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Cash and Cash Equivalents

The City considers all liquid investments with a maturity date of three months or less when purchased to be cash equivalents. At April 30, 2007, no investments qualified as cash equivalents.

(g) Investments

Investments are stated at fair value, which is based on quoted market prices, except money market investments and participating interest-earning investment contracts that have a remaining maturity at the time of purchase of one year or less, which are reported at amortized cost. Certificates of deposit are stated at cost, which approximates fair value.

(h) Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

(i) Inventory and Prepaid Items

Inventories are stated at the lower of cost or market with cost determined on a first-in, first-out (FIFO) basis.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and governmental fund financial statements.

(j) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the City's government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,500, except for assets for the Water and Sewer Fund, which uses a threshold of \$5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Capital Assets (Continued)

Depreciation of capital assets is computed on the straight-line method on lives ranging from 5 to 50 years.

(k) Compensated Absences - Primary Government

City employees earn vacation throughout the year based upon their anniversary date, and must use the days earned in the same anniversary year within one month after their anniversary date, unless prior approval from a department head is received. Any unused vacation time is payable to employees upon termination. Employees can accumulate ten days of sick leave per year and sick leave is carried over to the following year. Accumulated sick pay is paid out upon retirement up to a maximum of 60 days.

All compensated absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

(l) Long-term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(m) Net Assets/Fund Equity

In the government-wide financial statements, the City reports as restricted net assets amounts that are subject to restrictions externally imposed either by grantors, contributors, or laws.

**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Net Assets/Fund Equity (Continued)

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Expenditures/expenses are first applied to reserved resources when both reserved and unreserved resources are available. Designations of fund balance represent tentative management plans that are subject to change.

(n) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - RESTRICTED ASSETS - PRIMARY GOVERNMENT

In accordance with the appropriate bond ordinances, restricted assets represent assets the City has set aside to meet all required payments for debt principal and interest.

NOTE 3 - CASH AND INVESTMENTS

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. At April 30, 2007, none of the City's bank balance of \$20,074,218 was exposed to custodial credit risk.

Certificates of deposit are included in deposits above, but are classified as investments on the Statement of Net Assets.

Illinois Funds

At April 30, 2007, the City had amounts in Illinois Funds as follows:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value*</u>
Illinois Funds	12 Month average	<u>\$4,131,234</u>

*Equivalent to deposit balance.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

The City does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

According to the City's investment policy, the City is authorized to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, certificates of deposit covered by Federal depository insurance, certificates of deposit collateralized by obligations of the U.S. Treasury or agencies, the Illinois Funds and municipal securities rated AA or better by Standard & Poor's Corporation or Aa or better by Moody's bond ratings.

Credit Risk

State law limits investments as described previously. The City has no investment policy that would further limit its investment choices. As of April 30, 2007, the City's investment in the Illinois Funds was rated AAAM by Standard & Poor's.

Cash and Investments - Pension Trust Funds

The Pension Trust Funds may invest funds as authorized by the Illinois Pension Code, generally in obligations of the United States, the State of Illinois and its local districts, certain insurance contracts, insured deposits of federal and state savings and loans, banks, and credit unions, and certain common and preferred stocks.

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Fund's deposits may not be returned or the Fund will not be able to recover collateral securities in the possession of an outside party. The Fund's deposit policy provides that all deposits be guaranteed by the U.S. Government, insured by the Federal Deposit Insurance Corporation (FDIC), or fully collateralized with securities held by the Fund or its agent in the Fund's name or by its counterparty's trust department or agent in the Fund's name.

As of April 30, 2007, none of the deposits of the Police Pension and Firefighter's Pension Plans were exposed to custodial credit risk.

**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Cash and Investments - Pension Trust Funds (Continued)

Investments

As of April 30, 2007, the Police Pension Fund had the following investments:

<u>Type of Investment</u>	<u>Fair Value/ Carrying Amount</u>	<u>Average Credit Quality/ Ratings (1)</u>	<u>Weighted Average Years to Maturity (2)</u>
U.S. Government notes	\$ 6,949,505	N/A	6.66
U.S. Government agencies	3,263,650	AAA	4.36
Money market	859,957	AAA	.11
Common stocks	<u>6,097,103</u>	N/A	N/A
Total investments	<u>\$17,170,215</u>		

As of April 30, 2007, the Firefighter's Pension Fund had the following investments:

<u>Type of Investment</u>	<u>Fair Value/ Carrying Amount</u>	<u>Average Credit Quality/ Ratings (1)</u>	<u>Weighted Average Years to Maturity (2)</u>
U.S. Government notes and bonds:			
Explicitly guaranteed	\$ 3,030,882	N/A	5.73
Implicitly guaranteed	1,434,579	AAA	5.13
U.S. Government agencies	526,474	AAA	4.95
Money market funds	515,425	AAA	.08
Mutual funds - equities	1,388,974	N/A	N/A
Common stocks	<u>4,536,543</u>	N/A	N/A
Total investments	<u>\$11,432,877</u>		

(1) Ratings are provided where applicable to indicate associated credit risk. N/A indicates not applicable. Obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk.

(2) Interest rate risk is estimated using the weighted average years to maturity method.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Cash and Investments - Pension Trust Funds (Continued)

Investments (Continued)

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investing is performed in accordance with investment policies adopted by the Board of Trustees complying with Illinois Compiled Statutes. Funds may only be invested in permitted investments as authorized in Chapter 40, Article 5/1, paragraph 113.1 through 113.10 of the Illinois Compiled Statutes (Police Pension Fund) and Chapter 40, Article 4, paragraph 128 of the Illinois Compiled Statutes (Firefighter's Pension Fund).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Fund's policy provides that investments are diversified to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio. Diversification by asset type, characteristic, number of investments, and investment style is monitored. Investment guidelines have been established for each investment manager to evaluate performance of the Fund's investments compared to industry benchmarks.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities in the possession of an outside party. Consistent with the Fund's investment policy, all securities are held by a third party custodian serving as the Fund's agent. The securities are held in the Fund's name.

Cash and Investments - Discretely Presented Component Units

City of East Peoria Mass Transit District

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2007, none of the District's bank balance of \$69,024 was exposed to custodial credit risk.

NOTE 4 - SPECIAL ASSESSMENTS FUND

The City has levied special assessments against various landowners in conjunction with improvements made which benefit the landowners. These special assessments are being paid to the City over a number of years. The balance of assessments receivable in the Special Assessments Fund, a Special Revenue Fund, represents only the current portion of the total assessments receivable. An analysis of the current and long-term portions of special assessments receivable at April 30, 2007 is as follows:

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 4 - SPECIAL ASSESSMENTS FUND (CONTINUED)

Total special assessments receivable	\$ 11,559,925
Less amounts not receivable within one year	<u>11,139,187</u>
Current special assessments receivable	<u>\$ 420,738</u>

NOTE 5 - CAPITAL ASSETS - PRIMARY GOVERNMENT

Capital asset activity for the year ended April 30, 2007 was as follows:

	<u>Balance at</u> <u>April 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at</u> <u>April 30, 2007</u>
Governmental activities:				
Not depreciated:				
Land	\$ 8,450,191	\$ -	\$ 240,123	\$ 8,210,068
Construction in progress	2,515,428	1,260,538	25,819	3,750,147
Capitalized lease development costs	7,318,592	7,938,927	-	15,257,519
Depreciated:				
Land improvements	1,473,905	39,600	-	1,513,505
Buildings	6,379,275	110,995	-	6,490,270
Machinery, equipment, and vehicles	9,973,492	1,172,688	409,001	10,737,179
Infrastructure assets	<u>59,566,894</u>	<u>176,203</u>	<u>-</u>	<u>59,743,097</u>
Total capital assets	<u>95,677,777</u>	<u>10,698,951</u>	<u>674,943</u>	<u>105,701,785</u>
Less accumulated depreciation for:				
Land improvements	743,086	66,205	-	809,291
Buildings	2,223,973	127,435	-	2,351,408
Machinery, equipment, and vehicles	6,178,581	688,414	385,841	6,481,154
Infrastructure assets	<u>23,746,065</u>	<u>1,878,294</u>	<u>-</u>	<u>25,624,359</u>
Total accumulated depreciation	<u>32,891,705</u>	<u>2,760,348</u>	<u>385,841</u>	<u>35,266,212</u>
Governmental capital assets, net	<u>\$62,786,072</u>	<u>\$ 7,938,603</u>	<u>\$ 289,102</u>	<u>\$ 70,435,573</u>

**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 5 - CAPITAL ASSETS - PRIMARY GOVERNMENT (CONTINUED)

	<u>Balance at April 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at April 30, 2007</u>
Business-type activities:				
Water and Sewer Fund:				
Not depreciated:				
Land	\$ 456,274	\$ -	\$ -	\$ 456,274
Construction in progress	-	1,347,575	-	1,347,575
Depreciated:				
Land improvements	1,598,380	6,866	-	1,605,246
Buildings	11,259,494	15,941	-	11,275,435
Machinery, equipment, and vehicles	11,252,469	113,923	3,200	11,363,192
Infrastructure	<u>38,423,764</u>	<u>304,319</u>	-	<u>38,728,083</u>
Total capital assets	<u>62,990,381</u>	<u>1,788,624</u>	<u>3,200</u>	<u>64,775,805</u>
Less accumulated depreciation for:				
Land improvements	921,222	29,159	-	950,381
Buildings	5,162,989	221,565	-	5,384,554
Machinery, equipment, and vehicles	7,422,234	599,784	3,200	8,018,818
Infrastructure	<u>18,245,250</u>	<u>715,799</u>	-	<u>18,961,049</u>
Total accumulated depreciation	<u>31,751,695</u>	<u>1,566,307</u>	<u>3,200</u>	<u>33,314,802</u>
Water and Sewer Fund capital assets, net	<u>31,238,686</u>	<u>222,317</u>	-	<u>31,461,003</u>
Eastport Marina Fund:				
Not depreciated:				
Land	2,850,000	-	-	2,850,000
Depreciated:				
Land improvements	3,119,800	-	-	3,119,800
Buildings	2,305,232	-	-	2,305,232
Machinery, equipment, and vehicles	<u>396,787</u>	<u>15,556</u>	-	<u>412,343</u>
Total capital assets	<u>8,671,819</u>	<u>15,556</u>	-	<u>8,687,375</u>
Less accumulated depreciation for:				
Land improvements	1,602,175	151,210	-	1,753,385
Buildings	486,066	46,106	-	532,172
Machinery, equipment, and vehicles	<u>325,895</u>	<u>14,850</u>	-	<u>340,745</u>
	<u>2,414,136</u>	<u>212,166</u>	-	<u>2,626,302</u>
Eastport Marina Fund capital assets, net	<u>6,257,683</u>	<u>(196,610)</u>	-	<u>6,061,073</u>

**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 5 - CAPITAL ASSETS - PRIMARY GOVERNMENT (CONTINUED)

	<u>Balance at April 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at April 30, 2007</u>
Business-type activities (Continued):				
Eastside Centre Fund:				
Not depreciated:				
Land	\$ 341,408	\$ -	\$ -	\$ 341,408
Depreciated:				
Land improvements	2,362,855	-	-	2,362,855
Buildings	5,674,240	-	-	5,674,240
Machinery, equipment, and vehicles	<u>767,177</u>	<u>34,566</u>	<u>7,800</u>	<u>793,943</u>
Total capital assets	<u>9,145,680</u>	<u>34,566</u>	<u>7,800</u>	<u>9,172,446</u>
Less accumulated depreciation for:				
Land improvements	1,135,518	111,925	-	1,247,443
Buildings	1,206,431	113,484	-	1,319,915
Machinery, equipment, and vehicles	<u>448,596</u>	<u>53,538</u>	<u>7,020</u>	<u>495,114</u>
	<u>2,790,545</u>	<u>278,947</u>	<u>7,020</u>	<u>3,062,472</u>
Eastside Centre Fund capital assets, net	<u>6,355,135</u>	<u>(244,381)</u>	<u>780</u>	<u>6,109,974</u>
Business-type activities capital assets, net	<u>\$ 43,851,504</u>	<u>\$ (218,674)</u>	<u>\$ 780</u>	<u>\$ 43,632,050</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:

Police	\$ 221,319
Fire	109,642
Sanitation	64,055
Health and Welfare	25,250
Public Works	2,175,518
General government	<u>164,564</u>

Total depreciation expense - governmental activities \$ 2,760,348

Business-type activities:

Water and Sewer Fund	\$ 1,566,307
Eastport Marina Fund	212,166
Eastside Centre Fund	<u>278,947</u>

Total depreciation expense - business-type activities \$ 2,057,420

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 5 - CAPITAL ASSETS - PRIMARY GOVERNMENT (CONTINUED)

Construction Commitments

The City has active construction projects as of April 30, 2007. At year end, the City's commitments with contractors are as follows:

	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
East Peoria Convention Center	\$ 6,638,171	\$ 6,261,829
Riverfront Hotel	2,215,292	1,168,805
Centennial Well Project	1,318,755	1,984,175
Camp Street improvements	150,252	245,743
Heritage/Camp Street improvements	<u>7,882</u>	<u>67,238</u>
	<u>\$10,330,352</u>	<u>\$ 9,727,790</u>

The East Peoria Convention Center, Riverfront Hotel, and street improvements are being financed by general obligation bonds. The Centennial Well Project is financed by a note payable to the State of Illinois Environmental Protection Agency.

NOTE 6 - LONG-TERM DEBT - PRIMARY GOVERNMENT

In December 1998, the City defeased a portion of its Series 1992-B General Obligation/TIF District II Refunding Bonds and all of its Series 1993 General Obligation Bonds by placing the proceeds of Series 1998-A Refunding Revenue Bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of April 30, 2007, the City has \$170,000 of the bonds outstanding which are considered defeased.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 6 - LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

The following is a summary of changes in long-term debt for the year ended April 30, 2007:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 30,895,000	\$ -	\$ (2,745,000)	\$ 28,150,000	\$ 475,000
Project bonds	11,230,000	-	(1,150,000)	10,080,000	-
Special assessment bonds	2,430,000	-	(150,000)	2,280,000	-
Issuance premiums (discounts)	<u>(256,629)</u>	<u>-</u>	<u>24,402</u>	<u>(232,227)</u>	<u>-</u>
Total bonds payable	44,298,371	-	(4,020,598)	40,277,773	475,000
Notes payable	7,440,851	656,066	(588,843)	7,508,074	525,892
Compensated absences	<u>1,879,823</u>	<u>2,076,464</u>	<u>(1,879,824)</u>	<u>2,076,463</u>	<u>526,786</u>
Governmental activity, long-term liabilities	<u>\$ 53,619,045</u>	<u>\$ 2,732,530</u>	<u>\$ (6,489,265)</u>	<u>\$ 49,862,310</u>	<u>\$ 1,527,678</u>

For governmental activities, compensated absences are generally liquidated by the General Fund or Special Revenue Funds from which the salary of the employee is typically paid.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Bonds payable:					
General obligation bonds	\$ 4,710,000	\$ -	\$ (300,000)	\$ 4,410,000	\$ 300,000
Revenue bonds	1,670,000	-	(190,000)	1,480,000	-
Less deferred amounts:					
For issuance discounts	(6,323)	-	936	(5,387)	-
Loss on refunding	<u>(196,122)</u>	<u>-</u>	<u>31,046</u>	<u>(165,076)</u>	<u>-</u>
Total bonds payable	6,177,555	-	(458,018)	5,719,537	300,000
Notes payable	3,317,227	934,955	(248,994)	4,003,188	255,764
Compensated absences	<u>245,716</u>	<u>421,626</u>	<u>(245,716)</u>	<u>421,626</u>	<u>360,793</u>
Business-type activity, long-term liabilities	<u>\$ 9,740,498</u>	<u>\$ 1,356,581</u>	<u>\$ (952,728)</u>	<u>\$ 10,144,351</u>	<u>\$ 916,557</u>

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 6 - LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

Long-term debt payable at April 30, 2007 is comprised of the following individual issues:

Governmental Activities

General obligation bonds:

\$4,500,000 - General Obligation Bonds, Series 2002C, due in annual installments of \$190,000 to \$335,000 through January 2022; interest at rates of 3.2 to 4.65 percent	\$ 3,785,000
\$2,895,000 - General Obligation Bonds, Series 2004A, due in annual installments of \$330,000 to \$660,000, beginning January 2019 through January 2024; interest at rates of 5.0 to 5.375 percent	2,895,000
\$1,935,000 - General Obligation Bonds, Series 2004B, due in annual installments of \$70,000 to \$330,000, beginning January 2010 through January 2018; interest at rates of 5.25 to 5.9 percent	1,935,000
\$3,405,000 - General Obligation Bonds, Series 2004C, due in annual installments of \$130,000 to \$290,000, beginning January 2008 through January 2024; interest at rates of 4.75 to 5.375 percent	1,060,000
\$10,805,000 - General Obligation Bonds, Series 2004D, due in annual installments of \$590,000 to \$1,110,000, beginning April 2011 through April 2024; interest at 2.85 percent	10,805,000
\$4,175,000 - General Obligation Bonds, Series 2005A, due in annual installments of \$185,000 to \$365,000, beginning January 2010 through January 2024; interest at rates of 3.5 to 5.0 percent	4,175,000
\$1,145,000 - General Obligation Bonds, Series 2005B, due in annual installments of \$545,000 to \$600,000, beginning January 2009 through January 2010; interest at rates of 4.35 to 4.5 percent	1,145,000
\$595,000 - General Obligation Bonds, Series 2005C, due in annual installments of \$25,000 to \$50,000, beginning January 2008 through January 2024; interest at rates of 3.0 to 4.35 percent	595,000

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 6 - LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

Governmental Activities (Continued)

General obligation bonds (continued):

\$2,090,000 - General Obligation Bonds, Series 2005D, due in annual installments of \$220,000 to \$285,000, through November 2013; interest at rates of 4.15 to 4.6 percent	<u>\$ 1,755,000</u>
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Total general obligation bonds - governmental activities	<u>\$28,150,000</u>
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Notes payable:

Note payable to bank, due in monthly installments of \$1,681, including interest at 2.56 percent, through November 2009 (Tandem Plow Truck and Trailer)	\$ 49,324
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Note payable to bank, due in monthly installments of \$3,293, plus interest at 5.75 percent, through September 2009 (Festival Building Expansion)	88,962
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Note payable to bank, due in annual installments of \$43,217 including interest at 5.48 percent, through July 2007 (Fire Truck)	41,316
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Note payable to bank, due in monthly installments of \$3,068, including interest at 2.43 percent, through December 2008 (Ambulance)	60,026
---	--------

Note payable to bank, due in monthly installments of \$7,379, plus interest at 3.38 percent, through October 2007 (Garbage Trucks)	43,261
--	--------

Note payable to bank, due in annual installments of \$22,994, including interest at 4.125 percent, through October 2011 (Martin and Bailey Property)	102,339
--	---------

Note payable to bank, due in monthly installments of \$38,875, including interest at 5.25 percent at April 30, 2007 through May 2021 (Kohl's Property)	4,265,000
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Note payable to bank, due in annual installments of \$60,551, including interest at a variable rate (6.6 percent at April 30, 2007), through November 2011 (Mid America Property)	273,875
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CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 6 - LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

Governmental Activities (Continued)

Notes payable (continued):

Note payable to bank, due in monthly installments of \$2,048, including interest at 5.125 percent, through April 2015 (Eastlight Theatre)	\$ 251,669
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Note payable to bank, due in annual installments of \$60,000, plus monthly interest payments at a variable rate (7.16 percent at April 30, 2007), through October 2012 (Gateway Plaza Land Improvements)	359,913
--	---------

Note payable to bank with principal and interest, due in semiannual installments of \$45,112 through August 2023 (Steak-n-Shake Property)	874,637
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Note payable to bank, due in monthly installments of \$5,269, including interest at 3.02 percent, through July 2010 (Fire Truck)	204,210
--	---------

Note payable for professional services, due in annual installments of \$38,756, no interest, through December 2015 (Technology Boulevard)	329,422
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Note payable to bank, due in monthly installments of \$12,159, including interest at 4.2 percent, through September 2011 (Fire Truck)	<u>564,120</u>
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Total notes payable - governmental activities	<u>\$ 7,508,074</u>
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Project Bonds:

\$18,675,000 - Project Bonds, Series 1998-B, due in annual installments of \$470,000 to \$1,305,000 through May 2017; interest rates of 4.1 to 4.85 percent	<u>\$ 10,080,000</u>
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Special Assessment Bonds:

98-B, Eastlight Court Roadway and Utilities, interest at 7.5 percent	\$ 15,000
99-B, Highpoint Lane Paving Improvement, interest at 7.0 percent	415,000
02-A, Waugh Road Improvement, interest at 7.5 percent	65,000
04-B, Main on Main Improvement, interest at 6.5 percent	575,000
04-C, Camp Street Crossing Improvement, interest at 6.5 percent	970,000
04-D, Dieter's Funeral Home Improvement, interest at 6.5 percent	<u>240,000</u>

Total Special Assessment Bonds - governmental activities	<u>\$ 2,280,000</u>
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CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 6 - LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

Business-type Activities

Water and Sewer Fund long-term debt:

General obligation bonds:

\$3,385,000 - General Obligation Refunding Bonds, Series 2002-A, due in annual installments of \$200,000 to \$295,000 through May 2017; interest rate at 3.375 to 4.6 percent	\$ 2,435,000
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\$2,435,000 - General Obligation Refunding Bonds, Series 2002-B, due in annual installments of \$100,000 to \$165,000 through May 2022; interest rate at 3.0 to 4.65 percent	<u>1,975,000</u>
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Total general obligation bonds - business-type activities	<u>\$ 4,410,000</u>
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Notes payable:

Note payable to the State of Illinois Environmental Protection Agency, due in semi-annual installments of \$7,559, including interest at 2.815 percent, through December 2014	\$ 107,620
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Note payable to the State of Illinois Environmental Protection Agency, due in semi-annual installments of \$48,918 through April 2019, including interest at 2.865 percent	987,576
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Note payable to the State of Illinois Environmental Protection Agency, due in semi-annual installments of \$31,553 through April 2020, including interest at 2.625 percent	691,245
--	---------

Note payable to the State of Illinois Environmental Protection Agency, due in semi-annual installments of \$33,056 through June 2023, including interest at 2.57 percent	884,520
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Note payable to the State of Illinois Environmental Protection Agency, interest at 2.5 percent. Total loan commitment is \$1,093,705, with \$934,955 drawn at April 30, 2007. Principal and interest payments will be due semi-annually. The loan repayment schedule will be determined after the IEPA establishes the final principal amount.	934,955
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Note payable to bank in quarterly installments of \$17,505, including interest at 3.1202 percent, through September 2009 (Trucks and Wheel Loader)	167,765
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CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 6 - LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

Business-type Activities (Continued)

Water and Sewer Fund long-term debt (continued):

Notes payable (continued):

Note payable to bank, due in monthly installments of \$858, including interest at 3.02 percent, through July 2010 (Sewer Inspection Camera)	\$ 34,728
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Eastside Centre long-term debt:

Note payable to bank, due in annual installments of \$6,893, including interest at 5.25 percent, through April 2009 with the remaining principal balance due at maturity (Baseball Batting Cages)	58,739
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Note payable to bank, due in annual installments of \$12,371, including interest at 5.25 percent, through April 2009 with the remaining principal balance due at maturity (Softball Batting Cages)	<u>136,040</u>
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Total other long-term debt - business-type activities	<u><u>\$ 4,003,188</u></u>
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Revenue bonds:

\$5,060,000 - General Obligation Refunding Bonds, Series 1992-C, due in annual installments of \$50,000 to \$90,000 through May 2017; interest rate at 7.00 percent	\$ 680,000
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\$1,935,000 - Refunding Revenue Bonds, Series 1998-A, due in annual installments of \$150,000 to \$170,000 through May 1, 2012; interest rates of 4.15 to 4.50 percent	<u>800,000</u>
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Total revenue bonds - business-type activities	<u><u>\$ 1,480,000</u></u>
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**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 6 - LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

Business-type Activities (Continued)

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending April 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2008	\$ 475,000	\$ 1,112,562	\$ 300,000	\$ 183,689
2009	1,095,000	1,067,732	320,000	173,470
2010	1,315,000	1,049,706	330,000	161,495
2011	1,455,000	990,295	345,000	148,790
2012	1,540,000	937,091	355,000	135,335
2013-2017	8,195,000	3,759,948	2,000,000	443,405
2018-2022	9,695,000	2,043,415	760,000	107,883
2023-2024	<u>4,380,000</u>	<u>245,382</u>	<u>-</u>	<u>-</u>
	<u>\$28,150,000</u>	<u>\$11,206,131</u>	<u>\$ 4,410,000</u>	<u>\$ 1,354,067</u>

Annual debt service requirements to maturity for project bonds are as follows:

Year Ending April 30	Governmental Activities	
	Principal	Interest
2008	\$ -	\$ -
2009	1,190,000	457,160
2010	1,235,000	407,180
2011	1,195,000	354,693
2012	1,135,000	302,710
2013-2017	4,855,000	717,737
2018	<u>470,000</u>	<u>22,795</u>
	<u>\$10,080,000</u>	<u>\$ 2,262,275</u>

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 6 - LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

Annual debt service requirements to maturity for special assessment bonds are as follows:

Year Ending April 30	Governmental Activities	
	Principal	Interest
2008	\$ -	\$ 151,075
2009	-	151,075
2010	15,000	150,888
2011	-	149,950
2012	415,000	145,108
2013-2016	<u>1,850,000</u>	<u>449,231</u>
	<u>\$ 2,280,000</u>	<u>\$ 1,197,327</u>

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending April 30	Business-type Activities	
	Principal	Interest
2008	\$ -	\$ -
2009	200,000	82,130
2010	205,000	72,405
2011	220,000	62,255
2012	225,000	51,310
2013-2017	540,000	120,000
2018	<u>90,000</u>	<u>6,300</u>
	<u>\$ 1,480,000</u>	<u>\$ 394,400</u>

Annual debt service requirements to maturity for other notes payable are as follows:

Year Ending April 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2008	\$ 525,892	\$ 600,508	\$ 255,765	\$ 86,864
2009	597,499	474,873	439,711	79,292
2010	692,068	318,674	225,536	62,188
2011	642,188	288,677	189,441	56,593
2012	550,875	259,971	190,681	51,492
2013-2017	2,266,753	944,261	1,003,884	176,742
2018-2022	2,122,519	325,459	666,542	49,011
2023-2024	110,280	9,492	96,673	2,495
Maturity not determined	<u>-</u>	<u>-</u>	<u>934,955</u>	<u>-</u>
	<u>\$ 7,508,074</u>	<u>\$ 3,221,915</u>	<u>\$ 4,003,188</u>	<u>\$ 564,677</u>

**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 6 - LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

At April 30, 2007, the legal debt limit of the City was \$31,869,068 and the debt margin was \$18,077,086.

Debt Covenants

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, and minimum amounts to be maintained in various funds.

Conduit Debt

The City has issued certain limited obligation revenue refunding bonds to provide financial assistance for student housing at a local community college. The debt is secured by the property financed, revenues from the housing facility, and a guarantee by the College Foundation. The City is not obligated in any manner for repayment of this debt and, accordingly, it is not reported as a liability in the accompanying financial statements. The amount outstanding of the conduit debt obligation at April 30, 2007 was \$18,000,000.

NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES - PRIMARY GOVERNMENT

(a) Interfund receivable and payable balances at April 30, 2007 were:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Special Tax Allocation	\$ 659,688
	Riverboat Gaming Tax	217,389
	Eastport Marina	144,294
	Nonmajor Governmental	297,365
	Capital Projects	540,000
Riverboat Gaming Tax	Special Tax Allocation	7,509,531
	Capital Projects	4,283,201
	Water and Sewer	139,517
Capital Projects	Special Tax Allocation	5,694,103
Bond and Interest Fund	Special Tax Allocation	19,400
Nonmajor Governmental	General	7,967
	Nonmajor Governmental	<u>7,421</u>
		<u>\$ 19,519,876</u>

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES - PRIMARY GOVERNMENT
(CONTINUED)

These interfund balances are primarily a result of short-term working cash loans and reimbursements due for expenditures paid on behalf of one fund by another fund.

(b) Interfund transfers for the year ended April 30, 2007 were:

Transfer Out:	Transfer In:				Total
	Riverboat Gaming Tax Fund	Bond and Interest Fund	Nonmajor Governmental Funds	Proprietary Fund	
General Fund	\$ -	\$ 250,000	\$ 6,793,306	\$ 297,654	\$ 7,340,960
Nonmajor Governmental Funds	<u>1,369</u>	-	-	<u>75,000</u>	<u>76,369</u>
Total transfers out	<u>\$ 1,369</u>	<u>\$ 250,000</u>	<u>\$ 6,793,306</u>	<u>\$ 372,654</u>	<u>\$ 7,417,329</u>

Transfers are used to (1) move revenues from the fund collecting them to the fund that statute or budget reflects to expend them, (2) move receipts restricted to debt service from the funds collecting them to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 8 - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosure, as part of the financial statements - overview, of certain information concerning individual funds including:

(a) Deficit fund balances or deficit net assets balances of individual funds. This requirement is met by the following disclosure:

	Deficit Fund Balance or Deficit Net Assets at April 30, 2007
Special Tax Allocation Fund	<u>\$ 10,631,453</u>
Police Protection	<u>\$ 369,878</u>
Fire Protection	<u>\$ 165,177</u>
Garbage Collection and Disposal	<u>\$ 2,551</u>
Street and Bridge	<u>\$ 121,601</u>
Public Benefit	<u>\$ 248</u>
Workmen's Compensation	<u>\$ 24,721</u>

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 8 - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (CONTINUED)

Deficits in the Special Tax Allocation Fund will be eliminated through future incremental property tax receipts. The remaining deficits will be eliminated with future year transfers from other funds.

(b) Excess of actual expenditures over final budget in individual funds is as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Overage</u>
Bond and Interest Fund	\$ 3,000	\$ 2,496,731	\$ 2,493,731
Sewer Chlorination Fund	20,000	27,282	7,282

NOTE 9 - RISK MANAGEMENT/SELF-INSURANCE

The City is exposed to various risks of loss related to torts, theft of, damages to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance for these risks of loss. Settled claims have not exceeded this commercial coverage in either of the past two fiscal years.

The City uses an Internal Service Fund to account for and finance its uninsured risk of loss associated with medical and dental claims of its employees and their dependents. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Estimated payables for claims and losses for medical and hospital claims include an amount for claims incurred but not reported based upon actuarial estimates and prior experience. The City is responsible for the first \$75,000 of qualifying medical expenses per individual employee on an annual basis. The City maintains an insurance contract which covers, in full, on an annual basis, total aggregate claims exceeding \$3,066,714.

Annual appropriation is made for the estimated expenditures of each program and claims are accrued as incurred.

The unpaid claims and incurred but not reported claims of approximately \$250,000, included in accrued health claims on the financial statements in the Internal Service Fund, are based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 9 - RISK MANAGEMENT/SELF-INSURANCE (CONTINUED)

Changes in the claims liability in fiscal years 2007 and 2006 were:

Balance at April 30, 2005	\$ 175,000
Current year claims and changes in estimates	(2,168,792)
Claims paid	<u>2,243,792</u>
Balance at April 30, 2006	250,000
Current year claims and changes in estimates	(2,845,522)
Claims paid	<u>2,845,522</u>
Balance at April 30, 2007	<u>\$ 250,000</u>

NOTE 10 - SEGMENT INFORMATION

Segment information of the City's three Enterprise Funds as of and for the year ended April 30, 2007 is as follows:

	<u>Water and Sewer Fund</u>	<u>Eastport Marina Fund</u>	<u>Eastside Centre Fund</u>
Operating revenue	\$ 5,533,369	\$ 976,917	\$ 907,682
Depreciation expense	1,566,307	212,166	278,947
Operating income (loss)	(313,127)	11,770	(667,854)
Nonoperating revenues (expenses), net	(351,504)	(4,057)	5,370
Operating transfers in	75,000	-	297,654
Change in net assets	(589,631)	7,713	(364,830)
Total assets	33,272,120	6,599,711	6,137,011
Net working capital (deficit)	(71,721)	(122,690)	(48,455)
Property and equipment additions	1,788,624	15,556	34,566
General obligation bonds payable, net of deferred loss	4,315,831	-	-
Revenue bonds payable, net of unamortized discount and deferred loss	1,403,706	-	-
Notes and special assessments payable	3,808,408	-	194,780
Total liabilities	10,719,522	661,328	322,308
Total net assets	22,552,598	5,938,383	5,814,703

**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 11 - PENSION PLANS

Pension Plan Descriptions

The City of East Peoria contributes to one agent multiple-employer defined benefit pension plan, Illinois Municipal Retirement (IMRF), and to two single-employer defined benefit pension plans, the City of East Peoria Police Pension Fund and the City of East Peoria Firefighter's Pension Fund. Each of the plans provide retirement, disability, annual cost of living adjustments, and death benefits to its respective plan members and beneficiaries.

IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois.

The Illinois Pension Code establishes the benefit provisions of IMRF that can only be amended by the Illinois General Assembly. Additionally, the employer contribution levels of the Police Pension Fund and the Firefighter's Pension Fund are mandated by Illinois State Statute (Chapter 40, Article 3 and Chapter 40, Article 4, respectively) and may also be amended only by the Illinois legislature.

Each plan issues a publicly available financial report that includes financial statements and required supplementary information for that plan. Those reports may be obtained by writing the plan.

Illinois Municipal Retirement Fund 2211 York Road, Suite 500 Oak Brook, Illinois 60523 www.imrf.org/pubs/pubs_homepage.htm	City of East Peoria Police Pension Fund Theresa L. Gualandi, Treasurer 100 S. Main Street East Peoria, IL 61611	City of East Peoria Firefighter's Pension Fund Theresa L. Gualandi, Treasurer 100 S. Main Street East Peoria, IL 61611
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Funding Policy and Annual Pension Cost - Pension Plans

The member rate for IMRF and the employee and employer levels are statutorily dictated and can only be amended with legislative action. The IMRF employee contribution requirements are established and may be amended by the IMRF Board of Trustees. Benefits and refunds of the Police and Firemen's Pension Funds are recognized when due and payable in accordance with the Plans.

**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 11 - PENSION PLANS (CONTINUED)

Funding Policy and Annual Pension Cost - Pension Plans (Continued)

The City's annual pension cost for the current year and related information for each plan is as follows:

	<u>Illinois Municipal Retirement Fund</u>		<u>City of East Peoria Police Pension Fund</u>	<u>City of East Peoria Firefighter's Pension Fund</u>
	<u>SLEP</u>	<u>Regular</u>		
Contribution rates:				
City	16.23%	8.41%	(1)	(1)
Plan members	7.50%	4.50%	9.91%	9.455%
Annual pension cost (3):				
Annual required contribution	\$ 13,086	\$ 419,438	\$ 345,128	\$ 387,375
Adjustment to ARC	<u>-</u>	<u>-</u>	<u>6,378</u>	<u>(26,865)</u>
Total annual pension cost	13,086	419,438	351,506	360,510
Contributions made (3)	<u>13,086</u>	<u>419,438</u>	<u>351,506</u>	<u>360,510</u>
Increase in net pension obligation (3)	-	-	-	-
Net pension obligation (asset) (3):				
Beginning of period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Actuarial valuation date	12/31/06	12/31/06	4/30/05	5/1/05
Actuarial cost method	Entry age	Entry age	Entry age	Entry age
Amortization method	Level % closed	Level % closed	Level % closed	Level % closed
Remaining amortization period	30 years	5 years	28 years, 2 months	28 years, 2 months
Asset valuation method	5-year smoothed market	5-year smoothed market	4-year smoothed market	4-year smoothed market

**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 11 - PENSION PLANS (CONTINUED)

Funding Policy and Annual Pension Cost - Pension Plans (Continued)

	<u>Illinois Municipal Retirement Fund</u>		<u>City of East Peoria Police Pension Fund</u>	<u>City of East Peoria Firefighter's Pension Fund</u>
	<u>SLEP</u>	<u>Regular</u>		
Actuarial assumptions:				
Investment rate of return*	7.50%	7.50%	6.75%	7.0%
Projected salary increases*	4.00% (2)	4.00% (2)	4.75%	4.75%
*Includes inflation at	4.00%	4.00%	3.00%	3.00%
Post-retirement benefit increases	3.00%	3.00%	3.00%	3.00%
(1) Proceeds from a tax levy equal to the sum of: (a) annual normal cost plus (b) amortization of unfunded liability as a level percent of pay between now and July 1, 2033 plus (c) interest on (a) and (b) to date of payment.				
(2) Additional salary increases ranging from .4 to 11.6 percent per year depending on age and service, attributable to seniority/merit.				
(3) Data is for the latest actuarial information available which is as of December 31, 2006 for the Illinois Municipal Retirement Fund and as of April 30, 2005 for the Police Pension Fund and May 1, 2005 for the Firefighter's Pension Fund.				

Trend Information - Pension Plans

<u>Fund</u>	<u>Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
Illinois Municipal Retirement Fund:				
Regular	2006	\$ 419,438	100.0%	\$0
	2005	\$ 405,395	100.0%	\$0
	2004	\$ 634,230	100.0%	\$0
SLEP	2006	\$ 13,086	100.0%	\$0
	2005	\$ 10,497	100.0%	\$0
	2004	\$ 9,095	100.0%	\$0

**CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007**

NOTE 11 - PENSION PLANS (CONTINUED)

Trend Information - Pension Plans (Continued)

<u>Fund</u>	<u>Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net Pension Obligation</u>
City of East Peoria Police Pension Fund	2006	\$ 387,375	93.1%	\$0
	2005	\$ 692,809	84.4%	\$0
	2004	\$ 496,674	119.0%	\$0
City of East Peoria Firefighter's Pension Fund	2006	\$ 345,128	101.8%	\$0
	2005	\$ 743,037	89.6%	\$0
	2004	\$ 573,957	101.9%	\$0

NOTE 12 - OTHER COMPONENT UNIT DISCLOSURES

East Peoria Mass Transit

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. The District's property tax is levied each year at the time the budget for the ensuing year is passed and is extended against the assessed valuation of the District on the following January 1. Normally, taxes are due and payable in two installments in June and September at the County Collector's office. Sale of taxes on any uncollected amounts is prior to November 30 or shortly thereafter by the County Collector's office. Final distribution to all taxing bodies, including District funds, is also made prior to December 31.

Board Designated Fund Balance

The Board has designated funds levied for the following purposes: 1) an audit to provide for payment of the annual audit of the District's financial statements, 2) liability insurance for the District, and 3) provide bus transportation to the citizens of the City of East Peoria, Illinois.

Risk Management

The District is exposed to various risks of loss related to torts, theft of, damages to, and destruction of assets; injuries to employees; and natural disasters. The District purchases commercial insurance for these risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

CITY OF EAST PEORIA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2007

NOTE 13 - CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustments by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

NOTE 14 - SUBSEQUENT EVENT

In June 2003, the City entered into a development agreement under which the developer would construct and operate an Embassy Suites hotel and the City would construct and provide for operation a conference center which would be adjacent or connected to the hotel. The parties also entered into a lease agreement for the hotel site, which is owned by the City, and a management agreement under the terms of which the developer committed to operate the conference center on the behalf of the City and pay net revenues generated by the operation of the conference center to the City. The City planned to use these net revenues to pay a portion of the debt service on the bonds issued by the City to construct the conference center.

In August 2007, the City and the developer have negotiated revisions to the development agreement as follows:

- The management agreement will be terminated.
- The City will enter into a lease agreement under the terms of which the developer will lease the conference center from the City in exchange for regular escalating fixed payments over a 20 year period. Any property taxes paid by the developer for the conference center site for the prior tax year shall reduce the annual rent payment by this amount.
- The lease will require the developer to make all capital expenditures necessary to maintain the conference center in first class condition.
- At the conclusion of the lease, the City will convey the conference center to the developer in exchange for nominal additional consideration of \$100.
- At the conclusion of the ground lease, the City will convey the hotel site to the developer in exchange for nominal additional consideration of \$100.

The lease agreements stipulate that the rent obligation shall commence upon issuance of a certificate of occupancy for the hotel. Therefore, the costs of construction paid by the City will be accumulated and presented in the Statement of Net Assets and Note 5 as Capitalized Lease Development Costs. The lease receivable and any related resulting expenditures will be recognized in fiscal year 2008 when the hotel is occupied and final costs are available.

This information is an integral part of the accompanying financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF REVENUES COLLECTED AND EXPENDITURES PAID -
BUDGET (CASH BASIS) AND ACTUAL
BUDGETED MAJOR GOVERNMENTAL FUNDS
Year Ended April 30, 2007

	<u>General Fund</u>	
	<u>Budget</u>	<u>Actual</u>
REVENUES COLLECTED		
Taxes	\$ 4,957,243	\$ 5,098,492
Intergovernmental	7,405,500	7,980,675
Licenses and permits	170,350	237,862
Miscellaneous	<u>1,257,000</u>	<u>1,422,529</u>
Total revenues collected	<u>13,790,093</u>	<u>14,739,558</u>
EXPENDITURES PAID		
General government:		
Governing body	70,000	64,500
Legal department	642,000	535,678
Boards and commissions	68,000	41,921
City clerk	143,000	113,361
City administrator	185,000	145,471
Accounts and finance	3,736,250	3,336,074
Planning and development	398,000	335,501
Vehicle maintenance division	200,000	199,481
Public property	886,815	732,960
Other	-	-
Police	-	-
Fire	-	-
Maintenance and special projects	-	-
Gaming tax sharing	-	-
Capital outlay	447,435	30,161
Debt service:		
Principal payments	-	70,926
Interest and fiscal charges	-	269,622
Bond issuance costs	-	-
Miscellaneous	-	-
Total expenditures paid	<u>6,776,500</u>	<u>5,875,656</u>
Excess (deficiency) of revenues collected over expenditures paid	<u>7,013,593</u>	<u>8,863,902</u>
OTHER FINANCING SOURCES (USES)		
Loan proceeds	-	-
Equipment and property sale proceeds	10,000	487
Operating transfers in	-	-
Operating transfers out	<u>(1,275,000)</u>	<u>(7,340,960)</u>
Total other financing sources (uses)	<u>(1,265,000)</u>	<u>(7,340,473)</u>
EXCESS (DEFICIENCY) OF REVENUES COLLECTED AND OTHER FINANCING SOURCES OVER EXPENDITURES PAID AND OTHER FINANCING USES	<u>\$ 5,748,593</u>	<u>\$ 1,523,429</u>

Notes to Required Supplemental Information

Basis of Accounting - The City of East Peoria, Illinois' budget is prepared on the cash basis for all budgeted funds, including the major funds, General, Riverboat Gaming Tax, as presented in Exhibit 11 of the Required Supplemental Information.

Cash Actual to GAAP Differences Over (Under)	Actual Amounts GAAP Basis	Riverboat Gaming Tax Fund		Cash Actual to GAAP Differences Over (Under)	Actual Amounts GAAP Basis
		Budget	Actual		
\$ 16,819	\$ 5,115,311	\$ -	\$ -	\$ -	\$ -
128,097	8,108,772	8,000,000	7,746,610	42,764	7,789,374
-	237,937	-	-	-	-
<u>(25,929)</u>	<u>1,396,600</u>	<u>40,000</u>	<u>78,115</u>	<u>225,972</u>	<u>304,087</u>
119,062	14,858,620	8,040,000	7,824,725	268,736	8,093,461
(15,911)	48,589	-	-	-	-
(9,323)	526,355	-	-	-	-
(7,182)	34,739	-	-	-	-
(4,567)	108,794	-	-	-	-
376	145,847	-	-	-	-
82,531	3,418,605	-	-	-	-
3,234	338,735	-	-	-	-
1,420	200,901	-	-	-	-
1,452	734,412	-	-	-	-
-	-	4,400,000	60,738	114,684	175,422
-	-	400,000	-	-	-
-	-	400,000	-	-	-
-	-	-	522,997	43,782	566,779
-	-	7,000,000	3,873,305	80,745	3,954,050
(326)	29,835	800,000	1,668,839	116,587	1,785,426
-	-	-	-	-	-
-	70,926	-	654,298	(21,701)	632,597
-	269,622	-	226,856	-	226,856
-	-	-	-	-	-
-	-	-	-	-	-
<u>51,704</u>	<u>5,927,360</u>	<u>13,000,000</u>	<u>7,007,033</u>	<u>334,097</u>	<u>7,341,130</u>
67,358	8,931,260	(4,960,000)	817,692	(65,361)	752,331
-	-	-	656,066	-	656,066
-	487	-	-	-	-
-	(7,340,960)	-	1,369	-	1,369
-	(7,340,473)	-	-	-	-
-	-	-	657,435	-	657,435
<u>\$ 67,358</u>	<u>\$ 1,590,787</u>	<u>\$ (4,960,000)</u>	<u>\$ 1,475,127</u>	<u>\$ (65,361)</u>	<u>\$ 1,409,766</u>

**CITY OF EAST PEORIA, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT
REQUIRED SUPPLEMENTAL INFORMATION -
ANALYSIS OF FUNDING PROGRESS
Year Ended April 30, 2007
(Unaudited - See Accompanying Independent Auditor's Report)**

SCHEDULE OF FUNDING PROGRESS

Regular

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/06	\$ 15,560,172	\$ 15,285,011	\$ (275,161)	101.80%	\$ 4,987,367	0.00%
12/31/05	13,988,259	13,675,999	(312,260)	102.28	4,758,160	0.00
12/31/04	13,048,146	12,892,159	(155,987)	101.21	4,670,325	0.00

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$16,723,057. On a market basis, the funded ratio would be 109.41 percent.

SLEP

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/06	\$ 98,704	\$ 102,152	\$ 3,448	96.62%	\$ 80,632	4.28%
12/31/05	77,788	77,478	(310)	100.40	79,162	0.00
12/31/04	59,205	66,548	7,343	88.97	77,335	9.50

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$103,950. On a market basis, the funded ratio would be 101.76 percent.

The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15 percent corridor. The assumptions used for the 2006 actuarial valuation were based on the 2002-2004 experience study.

Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2006 are based on the 2002-2004 experience study.

The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For regular members, fewer normal and early retirements are expected to occur.

SLEP member contribution rate changed from 6.50 percent to 7.50 percent effective June 1, 2006.

COMBINING AND INDIVIDUAL FUND STATEMENTS

**CITY OF EAST PEORIA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
April 30, 2007**

ASSETS	<u>Police Protection</u>	<u>Fire Protection</u>	<u>Garbage Collection and Disposal</u>	<u>Illinois Municipal Retirement</u>
CASH IN BANK				
Checking and money market accounts	\$ 21,182	\$ 32,436	\$ 182,540	\$ 63,273
RECEIVABLES (net, where applicable, of allowances for estimated uncollectible amounts):				
Property taxes	454,111	454,111	454,111	49,143
Personal property replacement tax	-	-	-	-
Motor fuel tax allotments	-	-	-	-
Customer charges	-	-	-	-
Assessments	-	-	-	-
Hotel/motel taxes	-	-	-	-
Notes	-	-	-	-
Other	-	-	-	-
DUE FROM OTHER FUNDS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 475,293</u>	<u>\$ 486,547</u>	<u>\$ 636,651</u>	<u>\$ 112,416</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
LIABILITIES				
Accounts payable	\$ 9,638	\$ 27,786	\$ 76,589	\$ -
Wages payable	89,843	26,502	5,323	-
Compensated absences	291,579	84,325	43,758	-
Pension obligation payable	-	-	-	-
Deferred revenue	454,111	454,111	454,111	49,143
Due to other funds	-	59,000	59,421	-
Total liabilities	<u>845,171</u>	<u>651,724</u>	<u>639,202</u>	<u>49,143</u>
FUND BALANCES (DEFICITS)				
Fund balance (deficits) - unreserved	<u>(369,878)</u>	<u>(165,177)</u>	<u>(2,551)</u>	<u>63,273</u>
Total fund balances (deficits)	<u>(369,878)</u>	<u>(165,177)</u>	<u>(2,551)</u>	<u>63,273</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 475,293</u>	<u>\$ 486,547</u>	<u>\$ 636,651</u>	<u>\$ 112,416</u>

Special Revenue Funds

<u>Motor Fuel Tax</u>	<u>Social Security</u>	<u>Workmen's Compensation</u>	<u>Street and Bridge</u>	<u>Audit</u>	<u>School Crossing Guard</u>	<u>Sewer Chlorination</u>	<u>Street Lighting</u>
\$ 473,867	\$ 21,684	\$ 132,744	27,906	\$ 12,775	\$ 8,522	\$ 12,471	\$ 23,762
-	335,503	641,447	568,284	44,340	1,109	24,756	26,604
-	-	-	-	-	-	-	-
54,829	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	7,421	-	-	-	-
<u>\$ 528,696</u>	<u>\$ 357,187</u>	<u>\$ 774,191</u>	<u>\$ 603,611</u>	<u>\$ 57,115</u>	<u>\$ 9,631</u>	<u>\$ 37,227</u>	<u>\$ 50,366</u>
20,708	\$ -	\$ 16,100	\$ 48,728	\$ -	\$ -	\$ -	5,522
-	-	-	14,746	-	-	-	-
-	-	-	48,454	-	-	-	-
-	-	-	-	-	-	-	-
-	335,503	641,447	568,284	44,340	1,109	24,756	26,604
-	-	141,365	45,000	-	-	-	-
<u>20,708</u>	<u>335,503</u>	<u>798,912</u>	<u>725,212</u>	<u>44,340</u>	<u>1,109</u>	<u>24,756</u>	<u>32,126</u>
<u>507,988</u>	<u>21,684</u>	<u>(24,721)</u>	<u>(121,601)</u>	<u>12,775</u>	<u>8,522</u>	<u>12,471</u>	<u>18,240</u>
<u>507,988</u>	<u>21,684</u>	<u>(24,721)</u>	<u>(121,601)</u>	<u>12,775</u>	<u>8,522</u>	<u>12,471</u>	<u>18,240</u>
<u>\$ 528,696</u>	<u>\$ 357,187</u>	<u>\$ 774,191</u>	<u>\$ 603,611</u>	<u>\$ 57,115</u>	<u>\$ 9,631</u>	<u>\$ 37,227</u>	<u>\$ 50,366</u>

**CITY OF EAST PEORIA, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
April 30, 2007**

ASSETS	Unemployment <u>Insurance</u>	Emergency Service and <u>Disaster Assistance</u>	Hotel/ Motel <u>Tax</u>	Ambulance <u>Service</u>
CASH IN BANK				
Checking and money market accounts	\$ 23,216	\$ 53,638	\$ 299,171	\$ 3,950
RECEIVABLES (net, where applicable, of allowances for estimated uncollectible amounts):				
Property taxes	-	34,733	-	-
Personal property replacement tax	-	-	-	-
Motor fuel tax allotments	-	-	-	-
Customer charges	-	-	-	155,572
Assessments	-	-	-	-
Hotel/motel taxes	-	-	77,614	-
Notes	-	-	-	-
Other	-	-	-	-
DUE FROM OTHER FUNDS	-	7,967	-	-
TOTAL ASSETS	\$ 23,216	\$ 96,338	\$ 376,785	\$ 159,522
LIABILITIES AND FUND BALANCES (DEFICITS)				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ 15,586	\$ 7,754
Wages payable	-	-	4,148	13,807
Compensated absences	-	-	-	21,002
Pension obligation payable	-	-	-	-
Deferred revenue	-	34,733	-	-
Due to other funds	-	-	-	-
Total liabilities	-	34,733	19,734	42,563
FUND BALANCES (DEFICITS)				
Fund balance (deficits) - unreserved	23,216	61,605	357,051	116,959
Total fund balances (deficits)	23,216	61,605	357,051	116,959
TOTAL LIABILITIES AND FUND BALANCES	\$ 23,216	\$ 96,338	\$ 376,785	\$ 159,522

<u>Special Revenue Funds</u>					<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Revolving Loan</u>	<u>Special Assessments</u>	<u>IHDA Grant</u>	<u>Firemen's Pension Levy Fund</u>	<u>Police Pension Levy Fund</u>	<u>Public Benefit Fund</u>	
\$ 147,070	\$ 92,414	\$ 26,708	\$ -	\$ -	-	\$ 1,659,329
-	-	-	799,960	614,842	-	4,503,054
-	-	-	27,000	35,600	-	62,600
-	-	-	-	-	-	54,829
-	-	-	-	-	-	155,572
-	420,738	-	-	-	-	420,738
-	-	-	-	-	-	77,614
108,773	-	-	-	-	-	108,773
-	-	-	46,138	46,138	-	92,276
-	-	-	-	-	-	15,388
<u>\$ 255,843</u>	<u>\$ 513,152</u>	<u>\$ 26,708</u>	<u>\$ 873,098</u>	<u>\$ 696,580</u>	<u>\$ -</u>	<u>\$ 7,150,173</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 248	\$ 228,659
-	-	-	-	-	-	154,369
-	-	-	-	-	-	489,118
-	-	-	73,138	81,738	-	154,876
-	-	-	799,960	614,842	-	4,503,054
-	-	-	-	-	-	304,786
-	-	-	873,098	696,580	248	5,834,862
<u>255,843</u>	<u>513,152</u>	<u>26,708</u>	<u>-</u>	<u>-</u>	<u>(248)</u>	<u>1,315,311</u>
<u>255,843</u>	<u>513,152</u>	<u>26,708</u>	<u>-</u>	<u>-</u>	<u>(248)</u>	<u>1,315,311</u>
<u>\$ 255,843</u>	<u>\$ 513,152</u>	<u>\$ 26,708</u>	<u>\$ 873,098</u>	<u>\$ 696,580</u>	<u>\$ -</u>	<u>\$ 7,150,173</u>

**CITY OF EAST PEORIA, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended April 30, 2007**

REVENUES	Police Protection	Fire Protection	Garbage Collection and Disposal	Illinois Municipal Retirement
Taxes and special assessments	\$ 456,629	\$ 456,629	456,629	249,611
Charges for services	55,240	30,721	-	-
Intergovernmental	146,115	45,000	90,000	-
Miscellaneous	79,956	50,521	27,204	6,383
Total revenues	<u>737,940</u>	<u>582,871</u>	<u>573,833</u>	<u>255,994</u>
 EXPENDITURES				
General government	-	-	-	308,969
Police department	3,933,349	-	-	-
Fire department	-	2,508,796	-	-
Garbage collection	-	-	903,170	-
Ambulance service	-	-	-	-
Maintenance and special projects	-	-	-	-
Capital outlay	28,159	51,883	12,512	-
Debt service:				
Principal payments	-	-	-	-
Interest and fiscal charges	-	-	-	-
Miscellaneous	-	-	-	-
Total expenditures	<u>3,961,508</u>	<u>2,560,679</u>	<u>915,682</u>	<u>308,969</u>
Excess (deficiency) of revenues over expenditures	<u>(3,223,568)</u>	<u>(1,977,808)</u>	<u>(341,849)</u>	<u>(52,975)</u>
 OTHER FINANCING SOURCES (USES)				
Operating transfers in	3,153,755	1,962,589	282,030	-
Operating transfers out	(1,369)	-	-	-
Total other financing sources (uses)	<u>3,152,386</u>	<u>1,962,589</u>	<u>282,030</u>	<u>-</u>
 EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES				
	(71,182)	(15,219)	(59,819)	(52,975)
 FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR				
	<u>(298,696)</u>	<u>(149,958)</u>	<u>57,268</u>	<u>116,248</u>
 FUND BALANCES (DEFICITS) AT END OF YEAR				
	<u>\$ (369,878)</u>	<u>\$ (165,177)</u>	<u>\$ (2,551)</u>	<u>\$ 63,273</u>

Special Revenue Funds

<u>Motor Fuel Tax</u>	<u>Social Security</u>	<u>Workmen's Compensation</u>	<u>Street and Bridge</u>	<u>Audit</u>	<u>School Crossing Guard</u>	<u>Sewer Chlorination</u>	<u>Street Lighting</u>
\$ -	242,813	694,551	550,168	59,743	2,096	24,805	59,743
-	-	-	1,030	-	-	-	-
671,282	-	100,000	71,457	-	-	-	-
46,296	6,609	2,786	76,069	239	9	100	984
<u>717,578</u>	<u>249,422</u>	<u>797,337</u>	<u>698,724</u>	<u>59,982</u>	<u>2,105</u>	<u>24,905</u>	<u>60,727</u>
49,562	351,665	716,085	-	55,000	1,201	26,084	64,697
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
300,000	-	-	1,336,181	-	-	-	-
382,756	-	-	156,410	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>732,318</u>	<u>351,665</u>	<u>716,085</u>	<u>1,492,591</u>	<u>55,000</u>	<u>1,201</u>	<u>26,084</u>	<u>64,697</u>
<u>(14,740)</u>	<u>(102,243)</u>	<u>81,252</u>	<u>(793,867)</u>	<u>4,982</u>	<u>904</u>	<u>(1,179)</u>	<u>(3,970)</u>
-	-	-	883,352	-	-	-	-
-	-	-	(75,000)	-	-	-	-
-	-	-	808,352	-	-	-	-
(14,740)	(102,243)	81,252	14,485	4,982	904	(1,179)	(3,970)
<u>522,728</u>	<u>123,927</u>	<u>(105,973)</u>	<u>(136,086)</u>	<u>7,793</u>	<u>7,618</u>	<u>13,650</u>	<u>22,210</u>
<u>\$ 507,988</u>	<u>\$ 21,684</u>	<u>\$ (24,721)</u>	<u>\$ (121,601)</u>	<u>\$ 12,775</u>	<u>\$ 8,522</u>	<u>\$ 12,471</u>	<u>\$ 18,240</u>

**CITY OF EAST PEORIA, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year Ended April 30, 2007**

REVENUES	Unemployment Insurance	Emergency Service and Disaster Assistance	Hotel/ Motel Tax	Ambulance Service
Taxes and special assessments	\$ -	\$ 34,588	\$ 680,812	\$ -
Charges for services	-	-	-	794,396
Intergovernmental	-	-	-	-
Miscellaneous	-	139	303,389	15,443
Total revenues	<u>-</u>	<u>34,727</u>	<u>984,201</u>	<u>809,839</u>
 EXPENDITURES				
General government	-	953	931,294	-
Police department	-	-	-	-
Fire department	-	-	-	-
Garbage collection	-	-	-	-
Ambulance service	-	-	-	1,078,399
Maintenance and special projects	-	-	-	-
Capital outlay	-	32,574	-	-
Debt service:				
Principal payments	-	-	33,354	-
Interest and fiscal charges	-	-	6,163	-
Miscellaneous	-	-	-	-
Total expenditures	<u>-</u>	<u>33,527</u>	<u>970,811</u>	<u>1,078,399</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>1,200</u>	<u>13,390</u>	<u>(268,560)</u>
 OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	-	255,596
Operating transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>255,596</u>
 EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES				
	-	1,200	13,390	(12,964)
 FUND BALANCES (DEFICITS) AT BEGINNING OF YEAR				
	<u>23,216</u>	<u>60,405</u>	<u>343,661</u>	<u>129,923</u>
 FUND BALANCES (DEFICITS) AT END OF YEAR				
	<u>\$ 23,216</u>	<u>\$ 61,605</u>	<u>\$ 357,051</u>	<u>\$ 116,959</u>

<u>Special Revenue Funds</u>						
<u>Revolving Loan</u>	<u>Special Assessments</u>	<u>IHDA Grant</u>	<u>Firemen's Pension Levy Fund</u>	<u>Police Pension Levy Fund</u>	<u>Debt Service Fund Public Benefit Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	259,569	\$ -	\$ 818,526	\$ 751,796	\$ -	\$ 5,798,708
-	-	-	-	-	-	881,387
-	-	-	28,975	37,205	-	1,190,034
<u>56,642</u>	<u>85,026</u>	<u>9,568</u>	<u>2,501</u>	<u>2,233</u>	-	<u>772,097</u>
<u>56,642</u>	<u>344,595</u>	<u>9,568</u>	<u>850,002</u>	<u>791,234</u>	-	<u>8,642,226</u>
-	-	-	-	-	-	2,505,510
-	-	-	-	791,234	-	4,724,583
-	-	-	850,002	-	-	3,358,798
-	-	-	-	-	-	903,170
-	-	-	-	-	-	1,078,399
-	250,372	-	-	-	-	1,886,553
-	-	-	-	-	-	664,294
-	150,000	-	-	-	-	183,354
-	161,325	-	-	-	-	167,488
<u>150,000</u>	<u>-</u>	<u>2,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>152,538</u>
<u>150,000</u>	<u>561,697</u>	<u>2,538</u>	<u>850,002</u>	<u>791,234</u>	<u>-</u>	<u>15,624,687</u>
<u>(93,358)</u>	<u>(217,102)</u>	<u>7,030</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,982,461)</u>
-	154,483	-	-	-	101,501	6,793,306
-	-	-	-	-	-	(76,369)
-	<u>154,483</u>	-	-	-	<u>101,501</u>	<u>6,716,937</u>
(93,358)	(62,619)	7,030	-	-	101,501	(265,524)
<u>349,201</u>	<u>575,771</u>	<u>19,678</u>	<u>-</u>	<u>-</u>	<u>(101,749)</u>	<u>1,580,835</u>
<u>\$ 255,843</u>	<u>\$ 513,152</u>	<u>\$ 26,708</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (248)</u>	<u>\$ 1,315,311</u>

**CITY OF EAST PEORIA, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes	\$ 4,957,243	\$ 5,098,492	\$ 4,795,703
Intergovernmental	7,405,500	7,980,675	7,202,547
Licenses and permits	170,350	237,862	192,123
Miscellaneous	<u>1,257,000</u>	<u>1,422,529</u>	<u>1,296,469</u>
Total revenues collected	13,790,093	14,739,558	13,486,842
 Increase in uncollected revenues, net of deferred revenue	 <u>-</u>	 <u>119,062</u>	 <u>244,542</u>
 Total revenues	 <u>13,790,093</u>	 <u>14,858,620</u>	 <u>13,731,384</u>
 EXPENDITURES			
General government:			
Governing body	70,000	64,500	52,836
Legal department	642,000	535,678	486,400
Boards and commissions	68,000	41,921	33,624
City clerk	143,000	113,361	101,818
City administrator	185,000	145,471	144,302
Accounts and finance	3,736,250	3,336,074	3,064,711
Planning and development	398,000	335,501	335,271
Vehicle maintenance division	200,000	199,481	178,465
Public property	<u>886,815</u>	<u>732,960</u>	<u>698,295</u>
Total general government	6,329,065	5,504,947	5,095,722
 Capital outlay:			
Planning and development	<u>447,435</u>	<u>30,161</u>	<u>127,170</u>
Total capital outlay	447,435	30,161	127,170
 Debt service:			
Principal payments	-	70,926	71,092
Interest and fiscal charges	<u>-</u>	<u>269,622</u>	<u>39,756</u>
Total debt service	-	340,548	110,848
 Total expenditures paid	 6,776,500	 5,875,656	 5,333,740
 Increase in unpaid expenditures	 <u>-</u>	 <u>51,704</u>	 <u>79,578</u>
 Total expenditures	 <u>6,776,500</u>	 <u>5,927,360</u>	 <u>5,413,318</u>
 Excess of revenues over expenditures, carried forward	 <u>7,013,593</u>	 <u>8,931,260</u>	 <u>8,318,066</u>

**CITY OF EAST PEORIA, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
Excess of revenues over expenditures, brought forward	\$ 7,013,593	\$ 8,931,260	\$ 8,318,066
OTHER FINANCING SOURCES (USES)			
Equipment and property sale proceeds	10,000	487	8,501
Operating transfers out:			
Police Protection Fund	-	(3,153,755)	(2,883,657)
Fire Protection Fund	-	(1,962,589)	(1,756,863)
Garbage Collection and Disposal Fund	-	(282,030)	(217,418)
Street and Bridge Fund	-	(883,352)	(701,721)
Special Assessments Fund	(1,000,000)	(154,483)	(894,013)
Ambulance Service Fund	-	(255,596)	(289,874)
Public Benefit Fund	-	(101,501)	
Bond and Interest Fund	(275,000)	(250,000)	(360,000)
Eastside Centre Fund	-	(297,654)	(467,970)
Total other financing sources (uses)	<u>(1,265,000)</u>	<u>(7,340,473)</u>	<u>(7,563,015)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>\$ 5,748,593</u>	1,590,787	755,051
FUND BALANCE AT BEGINNING OF YEAR		<u>3,855,590</u>	<u>3,100,539</u>
FUND BALANCE AT END OF YEAR		<u>\$ 5,446,377</u>	<u>\$ 3,855,590</u>

**CITY OF EAST PEORIA, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES COLLECTED -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

REVENUES COLLECTED	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
Taxes:			
General property taxes	\$ 266,543	\$ 193,189	\$ 199,103
Payments in lieu of property taxes	15,000	15,000	15,000
Municipal sales tax	4,670,000	4,885,956	4,576,145
Mobile home privilege tax	700	663	659
Auto rental tax	5,000	3,684	4,796
	<u>4,957,243</u>	<u>5,098,492</u>	<u>4,795,703</u>
Total taxes			
Intergovernmental:			
State sales tax	4,625,000	4,864,207	4,539,353
State income tax	1,650,000	1,888,615	1,560,606
Personal property replacement tax	865,500	933,056	832,190
Out-of-state use tax	265,000	294,797	270,398
	<u>7,405,500</u>	<u>7,980,675</u>	<u>7,202,547</u>
Total intergovernmental			
Licenses and permits:			
Licenses:			
Liquor	62,000	83,027	65,715
Trailer park	250	250	250
Dog	800	1,340	900
Contractual	3,300	3,312	3,301
Other	6,000	11,630	11,309
Permits:			
Building	70,000	111,349	82,552
Plumbing	9,000	8,349	6,799
Electrical	14,000	12,109	15,034
Variance	5,000	6,496	6,263
	<u>170,350</u>	<u>237,862</u>	<u>192,123</u>
Total licenses and permits			

CITY OF EAST PEORIA, ILLINOIS
GENERAL FUND
SCHEDULE OF REVENUES COLLECTED -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006

REVENUES COLLECTED (CONTINUED)	<u>Budget</u>	<u>2007</u> Actual	<u>2006</u> Actual
Miscellaneous:			
Fines	\$ 340,000	\$ 300,039	\$ 340,269
Department sales of gasoline	165,000	143,181	139,731
Rentals and leases	55,000	112,830	56,676
Interest	90,000	203,211	100,723
Cable T. V. franchise fees	160,000	149,459	138,256
Reimbursements	182,000	169,728	166,488
Telephone franchise fees	220,000	285,910	312,109
Electrical franchise fees	30,000	27,411	27,517
Eastlight Theatre payments	-	20,000	-
Other	15,000	10,760	14,700
	<u>1,257,000</u>	<u>1,422,529</u>	<u>1,296,469</u>
Total miscellaneous			
	<u>1,257,000</u>	<u>1,422,529</u>	<u>1,296,469</u>
TOTAL REVENUES COLLECTED	<u>\$ 13,790,093</u>	<u>\$ 14,739,558</u>	<u>\$ 13,486,842</u>

**CITY OF EAST PEORIA, ILLINOIS
GENERAL FUND
SCHEDULE OF EXPENDITURES PAID -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
EXPENDITURES PAID			
General government:			
Governing body:			
Salaries and wages	\$ 40,000	\$ 37,662	\$ 32,267
Printing	750	150	479
Postage	400	400	446
Travel and meeting expenses	5,500	5,325	2,863
Dues, subscriptions, and publications	3,500	1,666	2,274
Utilities	2,500	1,946	1,637
Other operating expenses	6,000	7,118	3,752
Office supplies	600	7	-
Employee relations	10,750	10,226	9,118
	<u>70,000</u>	<u>64,500</u>	<u>52,836</u>
Total governing body			
Legal department:			
Attorneys' fees	625,000	529,318	474,698
Utilities - telephone	2,500	710	1,318
Court costs	6,250	1,188	3,777
Other operating expenses	8,250	4,462	6,607
	<u>642,000</u>	<u>535,678</u>	<u>486,400</u>
Total legal department			
Boards and commissions:			
Commissioners' salaries	7,400	7,200	7,200
Special attorneys' fees	25,000	21,733	12,606
Contractual services	14,950	7,991	8,009
Printing	200	-	405
Postage	200	150	150
Dues, subscriptions and publications	875	807	803
Other operating expenses	18,750	3,318	4,439
Office supplies	500	722	12
Operating supplies	125	-	-
	<u>68,000</u>	<u>41,921</u>	<u>33,624</u>
Total boards and commissions			

**CITY OF EAST PEORIA, ILLINOIS
GENERAL FUND
SCHEDULE OF EXPENDITURES PAID -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

EXPENDITURES PAID (CONTINUED)	<u>Budget</u>	<u>2007</u> <u>Actual</u>	<u>2006</u> <u>Actual</u>
General government (continued):			
City clerk:			
Salaries	\$ 106,000	\$ 97,910	\$ 94,559
Printing	6,250	5,288	276
Legal publications	750	784	398
Postage	125	47	48
Travel, training, and meeting expense	1,875	1,359	1,225
Dues, subscriptions, and publications	875	868	520
Maintenance and repair - equipment	3,125	2,025	2,290
Other operating expenses	3,125	2,377	2,150
Office supplies	625	2,703	146
Office equipment	20,250	-	206
	<hr/>	<hr/>	<hr/>
Total city clerk	143,000	113,361	101,818
City administrator:			
Salaries	140,000	132,020	129,745
Contract services	-	-	157
Printing	875	270	540
Postage	875	670	700
Travel, training and meeting expense	3,125	2,818	2,452
Dues, subscriptions, and publications	3,750	2,514	3,092
Utilities	625	563	446
Maintenance and repair - vehicles	375	1,300	298
Other operating expenses	20,000	1,508	58
Office supplies	875	647	728
Operating supplies	625	545	456
Employee relations	12,000	2,616	4,896
Office equipment	1,875	-	734
	<hr/>	<hr/>	<hr/>
Total city administrator	185,000	145,471	144,302
Accounts and finance:			
Salaries and wages	83,000	79,008	76,000
Printing	3,125	1,885	2,028
Publications - legal	3,750	2,272	2,121
Postage	250	225	185
Travel, training and meetings	2,500	2,305	523
Dues, subscriptions and publications	375	200	170
Group insurance	2,494,000	2,195,184	2,037,598

**CITY OF EAST PEORIA, ILLINOIS
GENERAL FUND
SCHEDULE OF EXPENDITURES PAID -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
EXPENDITURES PAID (CONTINUED)			
General government (continued):			
Accounts and finance (continued):			
Maintenance and repairs - equipment	\$ 1,000	\$ 1,387	\$ 437
Other operating expenses	25,000	12,191	27,291
IMF tax refund	20,000	15,138	701
Office supplies	625	10,926	188
Operating supplies	125	2,580	-
Sales Tax Rebate	100,000	26,137	20,460
Office equipment	-	-	170
East Peoria Youth Grants	2,500	1,700	1,700
Revenue sharing schools	1,000,000	964,721	895,139
Development agreements	-	20,215	-
	<u>3,736,250</u>	<u>3,336,074</u>	<u>3,064,711</u>
Total accounts and finance			
Planning and development:			
Salaries	295,000	271,866	241,674
Special code enforcement	-	-	22,047
Inspector fees	22,500	21,288	28,424
Consultant fees	16,250	4,794	6,214
Printing	2,500	889	913
Postage	1,000	955	878
Travel, training and meetings	12,500	5,729	3,923
Dues, subscriptions and publications	4,375	3,814	2,842
Insurance	4,000	4,000	5,000
Utilities	3,000	1,634	1,771
Maintenance and repairs - equipment	4,375	2,143	3,371
Maintenance and repairs - vehicles	3,750	2,887	2,568
Other operating expenses	1,500	1,017	1,342
Demolitions	10,000	-	4,267
Office supplies	5,750	4,373	3,212
Motor fuel and lubricants	7,500	4,505	4,971
GIS expense	2,500	848	758
Operating supplies	1,500	4,759	1,096
	<u>398,000</u>	<u>335,501</u>	<u>335,271</u>
Total planning and development			

**CITY OF EAST PEORIA, ILLINOIS
GENERAL FUND
SCHEDULE OF EXPENDITURES PAID -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
EXPENDITURES PAID (CONTINUED)			
General government (continued):			
Vehicle maintenance:			
Wages and labor	\$ 130,310	\$ 122,246	\$ 119,020
Overtime	22,500	40,874	23,349
Travel, training and meetings	315	41	59
Insurance	11,000	11,000	11,000
Maintenance and repair - equipment	1,250	1	752
Maintenance and repair - vehicles	1,000	1,020	856
Maintenance and repair - radios	-	639	-
Operating expenses	-	25	293
Welding gases	2,750	2,556	1,869
Clothing and safety equipment	2,750	1,942	2,314
Motor fuel and lubricants	15,000	10,388	10,886
Operating supplies	10,000	8,749	8,067
Operating equipment supplies	3,125	-	-
	<u>200,000</u>	<u>199,481</u>	<u>178,465</u>
Total vehicle maintenance			
Department of public property:			
Salaries, wages and clean-up program	195,000	192,720	179,494
Overtime	6,675	5,721	3,857
Summer clean-up wages	18,750	15,568	12,371
Engineering and architect fees	6,250	15,994	8
Other contractual services	33,750	29,024	27,057
Radio study	-	-	7,000
Travel, training and meeting expense	315	773	97
Dues, subscriptions and publications	200	253	398
Insurance	55,000	65,696	50,000
Utilities - telephone	115,000	106,250	109,265
Utilities - power and gas	68,750	52,116	49,049
Maintenance and repair - buildings	37,500	26,946	27,011
Maintenance and repair - equipment	37,500	18,596	19,260
Maintenance and repair - vehicles	11,250	14,252	8,874
Rental payments	1,875	837	588
Other operating expenses	12,500	9,386	6,296
Stock supply inventory	3,750	3,180	4,724
Office supplies	250	536	179
Safety equipment and supplies	5,000	5,962	3,618
Motor fuel and lubricants	18,750	10,107	10,222
Cleaning and maintenance supplies	3,750	2,889	2,781

**CITY OF EAST PEORIA, ILLINOIS
GENERAL FUND
SCHEDULE OF EXPENDITURES PAID -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
EXPENDITURES PAID (CONTINUED)			
General government (continued):			
Department of public property (continued):			
Building construction and improvement	\$ -	\$ -	\$ 24,781
Operating supplies	5,000	3,448	4,295
Landscaping and beautification	18,750	13,135	10,911
Gasoline - all City vehicles	<u>231,250</u>	<u>139,571</u>	<u>136,159</u>
Total department of public property	<u>886,815</u>	<u>732,960</u>	<u>698,295</u>
Total general government	<u>6,329,065</u>	<u>5,504,947</u>	<u>5,095,722</u>
Capital outlay:			
Planning and development:			
Office equipment	10,000	2,568	-
Accounts and finance:			
Office equipment	6,250	7,250	170
Public Property:			
Land and building purchases	400,460	-	-
Building construction and improvement	30,725	12,590	24,781
City Clerk:			
Office equipment	-	7,753	-
Land improvement	<u>-</u>	<u>-</u>	<u>127,170</u>
Total capital outlay	<u>447,435</u>	<u>30,161</u>	<u>127,170</u>
Debt service:			
Principal payments	-	70,926	71,092
Interest and fiscal charges	<u>-</u>	<u>269,622</u>	<u>39,756</u>
Total debt service	<u>-</u>	<u>340,548</u>	<u>110,848</u>
TOTAL EXPENDITURES PAID	<u>\$ 6,776,500</u>	<u>\$ 5,875,656</u>	<u>\$ 5,333,740</u>

**CITY OF EAST PEORIA, ILLINOIS
POLICE PROTECTION FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ 460,000	\$ 456,629	\$ 447,652
Charges for services:			
Communication	35,240	55,240	38,519
Intergovernmental:			
Personal property replacement tax	45,000	45,000	45,000
Federal grants	19,000	39,274	22,194
Other grant revenue	-	61,841	-
Total intergovernmental	<u>64,000</u>	<u>146,115</u>	<u>67,194</u>
Miscellaneous:			
Training reimbursements	70,000	33,560	91,642
Drug program receipts	3,000	2,491	5,590
Asset forfeiture	5,000	6,251	250
Interest	725	1,867	762
Special enforcement receipts	5,000	13,881	5,364
D.U.I. receipts	10,000	9,506	11,221
Other	9,000	12,060	10,424
Total miscellaneous	<u>102,725</u>	<u>79,616</u>	<u>125,253</u>
Total revenues collected	661,965	737,600	678,618
Increase (decrease) in uncollected revenues, net of deferred revenue	<u>-</u>	<u>340</u>	<u>(229,939)</u>
Total revenues	<u>661,965</u>	<u>737,940</u>	<u>448,679</u>
EXPENDITURES			
Police department:			
Regular police salaries	2,790,000	2,631,630	2,472,778
Grant overtime	25,000	28,914	20,312
Clerical wages	70,000	61,530	60,969
Telecommunicator salaries	550,000	458,205	435,007
Telecommunicator overtime wages	75,000	45,961	38,039
Police overtime wages	224,500	141,680	138,112
Dog boarding and disposal	31,875	27,338	24,481
Printing	7,000	1,917	5,513
Postage and expenses	2,300	2,047	1,848
Training, travel and meetings	43,750	49,223	35,440

**CITY OF EAST PEORIA, ILLINOIS
POLICE PROTECTION FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

EXPENDITURES (CONTINUED)	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
Police department (continued):			
Clothing allowance	\$ 47,500	\$ 39,325	\$ 35,036
Dues, subscriptions and publications	6,250	5,955	4,717
Insurance and bonding	58,000	59,854	58,000
Utilities - office	31,250	29,273	25,326
Maintenance and repair - buildings	8,750	9,863	4,495
Maintenance and repair - equipment	10,000	10,434	8,892
Maintenance and repair - vehicles	62,500	46,502	53,133
Maintenance and repair - radios	10,000	26,243	12,237
Equipment rental	3,750	1,738	2,940
Motor fuel and lubrication	125,000	87,954	90,339
Vehicle supplies and accessories	625	2,023	209
Cleaning and maintenance supplies	1,250	3,793	1,432
Operating supplies	6,250	6,104	6,373
Office supplies	10,000	13,767	9,928
Intergovernmental contracts	3,200	6,130	3,065
ILEAS grant	-	-	2,250
DUI special assessment	20,000	6,301	9,413
Special enforcement expense	20,000	8,122	11,437
D.A.R.E. expenses	3,750	5,403	4,688
Other operating expenses	15,000	19,982	10,460
Total police department	<u>4,262,500</u>	<u>3,837,211</u>	<u>3,586,869</u>
Capital outlay:			
Office equipment purchase	5,500	13,417	-
Automotive equipment purchase	-	11,650	-
Radio equipment purchases	-	3,842	-
	<u>5,500</u>	<u>28,909</u>	<u>-</u>
 Total expenditures paid	 4,268,000	 3,866,120	 3,586,869
 Increase in unpaid expenditures	 <u>-</u>	 <u>95,388</u>	 <u>62,789</u>
 Total expenditures	 <u>4,268,000</u>	 <u>3,961,508</u>	 <u>3,649,658</u>

CITY OF EAST PEORIA, ILLINOIS
POLICE PROTECTION FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006

	<u>Budget</u>	<u>2007</u> <u>Actual</u>	<u>2006</u> <u>Actual</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$(3,606,035)</u>	<u>(3,223,568)</u>	<u>(3,200,979)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfer from General Fund		3,153,755	2,883,657
Operating transfer to Riverboat Gaming Fund		<u>(1,369)</u>	<u>-</u>
Total other financing sources		<u>3,152,386</u>	<u>2,883,657</u>
DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES		(71,182)	(317,322)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR		<u>(298,696)</u>	<u>18,626</u>
FUND BALANCE (DEFICIT) AT END OF YEAR		<u>\$ (369,878)</u>	<u>\$ (298,696)</u>

**CITY OF EAST PEORIA, ILLINOIS
FIRE PROTECTION FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ 460,000	456,629	\$ 447,652
Charges for services:			
Rural Fire Protection District	4,625	30,721	26,836
Intergovernmental:			
Personal property replacement tax	45,000	45,000	45,000
Miscellaneous:			
Training reimbursements	25,000	47,002	98,085
Interest	750	1,894	774
Other	500	1,625	1,487
Total miscellaneous	<u>26,250</u>	<u>50,521</u>	<u>100,346</u>
Total revenues collected	535,875	582,871	619,834
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>-</u>	<u>(229,939)</u>
Total revenues	<u>535,875</u>	<u>582,871</u>	<u>389,895</u>
EXPENDITURES			
Fire department:			
Regular firemen's salaries	1,955,000	1,801,239	1,721,147
Special firemen's salaries and overtime	275,000	299,751	212,135
Contract services - Northern Tazewell			
Fire Department	63,000	63,000	63,000
Printing	500	388	168
Training, travel and meetings	31,250	26,887	22,463
Clothing allowance	20,000	15,694	10,603
Dues, subscriptions and publications	3,125	1,223	1,933
Insurance and bonding	58,000	58,000	58,000
Utilities - offices	56,250	40,498	37,287
Maintenance and repair - buildings	18,750	19,406	11,113
Maintenance and repair - equipment	8,125	26,876	6,093
Maintenance and repair - vehicles	62,500	29,574	54,166
Maintenance and repair - radios	7,500	3,059	4,894
Other operating expenses	6,250	3,000	4,587
Fire prevention	3,125	1,948	22,092
Fire investigations	3,125	1,653	1,928
Medical tests	7,500	4,692	5,018

**CITY OF EAST PEORIA, ILLINOIS
FIRE PROTECTION FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

EXPENDITURES (CONTINUED)	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
Fire department (continued):			
Office supplies	\$ 8,125	\$ 4,211	\$ 5,950
Clothing supplies	31,250	23,655	7,723
Motor fuel and lubrication	46,625	33,727	35,591
Vehicle supplies and accessories	7,500	3,726	1,028
Cleaning and maintenance - building	9,375	3,511	7,114
Landscape and beautification	625	-	294
2% Fire insurance tax expenditures	-	22,645	-
Operating supplies	7,500	15,753	2,468
Total fire department	<u>2,690,000</u>	<u>2,504,116</u>	<u>2,296,795</u>
Capital outlay:			
Office equipment purchase	-	14,164	-
Fire equipment purchase	-	35,184	-
Radio equipment purchase	10,000	2,535	78,712
Automotive equipment purchase	-	-	314,856
	<u>10,000</u>	<u>51,883</u>	<u>393,568</u>
Total expenditures paid	2,700,000	2,555,999	2,690,363
Increase (decrease) in unpaid expenditures	-	4,680	(12,661)
Total expenditures	<u>2,700,000</u>	<u>2,560,679</u>	<u>2,677,702</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ (2,164,125)</u>	<u>(1,977,808)</u>	<u>(2,287,807)</u>
OTHER FINANCING SOURCES			
Loan proceeds		-	314,856
Operating transfer from General Fund		1,962,589	1,756,863
Total other financing sources		<u>1,962,589</u>	<u>2,071,719</u>
DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES		(15,219)	(216,088)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR		<u>(149,958)</u>	<u>66,130</u>
FUND BALANCE (DEFICIT) AT END OF YEAR		<u>\$ (165,177)</u>	<u>\$ (149,958)</u>

CITY OF EAST PEORIA, ILLINOIS
GARBAGE COLLECTION AND DISPOSAL FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ 460,000	\$ 456,629	\$ 447,652
Intergovernmental:			
Personal property replacement tax	50,000	50,000	50,000
Grant revenue	-	40,000	-
	<u>50,000</u>	<u>90,000</u>	<u>50,000</u>
Miscellaneous:			
Interest	750	8,542	1,552
Scrap metal	2,000	1,012	1,086
Reimbursements	-	-	175,000
Other	45,000	17,650	58,730
Total miscellaneous	<u>47,750</u>	<u>27,204</u>	<u>236,368</u>
Total revenues collected	557,750	573,833	734,020
Decrease in uncollected revenues, net of deferred revenue	-	-	(229,939)
Total revenues	<u>557,750</u>	<u>573,833</u>	<u>504,081</u>
EXPENDITURES			
Garbage collection:			
Wages and labor	285,000	262,566	264,040
Overtime	50,000	20,883	11,894
Engineering	-	35,370	16,995
Landfill fees	375,000	306,500	285,308
Recycling tipping fees	90,000	41,926	62,723
Contractual services	5,000	3,675	50
Insurance	50,000	50,000	50,000
Maintenance and repair - vehicles	25,000	32,133	15,943
Other operating expenses	25,000	26,618	22,531
Clothing and safety equipment	9,000	5,871	4,725
Motor fuel and lubrication	60,000	38,877	28,462
Vehicle supplies and accessories	20,000	12,194	12,937
Operating supplies	6,000	28	-

CITY OF EAST PEORIA, ILLINOIS
GARBAGE COLLECTION AND DISPOSAL FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
EXPENDITURES (CONTINUED)			
Capital outlay:			
Operating equipment purchases	\$ -	\$ 12,512	\$ -
Total expenditures paid	<u>1,000,000</u>	<u>849,153</u>	<u>775,608</u>
Increase (decrease) in unpaid expenditures	<u>-</u>	<u>66,529</u>	<u>(19,332)</u>
Total expenditures	<u>1,000,000</u>	<u>915,682</u>	<u>756,276</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ (442,250)</u>	<u>(341,849)</u>	<u>(252,195)</u>
OTHER FINANCING SOURCES			
Operating transfer from General Fund		<u>282,030</u>	<u>217,418</u>
DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES		<u>(59,819)</u>	<u>(34,777)</u>
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR		<u>57,268</u>	<u>92,045</u>
FUND BALANCE (DEFICIT) AT END OF YEAR		<u>\$ (2,551)</u>	<u>\$ 57,268</u>

**CITY OF EAST PEORIA, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ 50,000	\$ 49,611	\$ 326,015
Telecommunications tax	200,000	200,000	-
Total taxes	<u>250,000</u>	<u>249,611</u>	<u>326,015</u>
Miscellaneous:			
Interest	75	198	526
Reimbursements	6,000	6,185	6,136
Total miscellaneous	<u>6,075</u>	<u>6,383</u>	<u>6,662</u>
 Total revenues collected	 256,075	 255,994	 332,677
 Decrease in uncollected revenues, net of deferred revenue	 <u>-</u>	 <u>-</u>	 <u>(167,459)</u>
 Total revenues	 <u>256,075</u>	 <u>255,994</u>	 <u>165,218</u>
 EXPENDITURES			
General government:			
Contributions paid to Illinois Municipal Retirement Fund	 500,000	 308,969	 298,039
Total expenditures	<u>500,000</u>	<u>308,969</u>	<u>298,039</u>
 DEFICIENCY OF REVENUES OVER EXPENDITURES	 <u>\$ (243,925)</u>	 (52,975)	 (132,821)
 FUND BALANCE AT BEGINNING OF YEAR		 <u>116,248</u>	 <u>249,069</u>
 FUND BALANCE AT END OF YEAR		 <u>\$ 63,273</u>	 <u>\$ 116,248</u>

**CITY OF EAST PEORIA, ILLINOIS
MOTOR FUEL TAX FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Intergovernmental:			
Motor fuel tax allotments	\$ 645,000	\$ 668,327	\$ 654,553
Miscellaneous:			
Interest	10,000	18,074	16,215
Reimbursements	10,000	28,222	11,537
Total miscellaneous	<u>20,000</u>	<u>46,296</u>	<u>27,752</u>
Total revenues collected	665,000	714,623	682,305
Increase (decrease) in uncollected revenues, net of deferred revenue	<u>-</u>	<u>2,955</u>	<u>(1,873)</u>
Total revenues	<u>665,000</u>	<u>717,578</u>	<u>680,432</u>
EXPENDITURES			
General government:			
Miscellaneous expense	<u>400,000</u>	<u>28,854</u>	<u>-</u>
Maintenance and special projects:			
Street paving and resurfacing	<u>550,000</u>	<u>300,000</u>	<u>615,968</u>
Capital outlay:			
Engineering fees	250,000	101,952	163,800
Bridge construction	5,000	284,554	-
	<u>255,000</u>	<u>386,506</u>	<u>163,800</u>
Total expenditures paid	1,205,000	715,360	779,768
Increase (decrease) in unpaid expenditures	<u>-</u>	<u>16,958</u>	<u>(29,549)</u>
Total expenditures	<u>1,205,000</u>	<u>732,318</u>	<u>750,219</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ (540,000)</u>	<u>(14,740)</u>	<u>(69,787)</u>
FUND BALANCE AT BEGINNING OF YEAR		<u>522,728</u>	<u>592,515</u>
FUND BALANCE AT END OF YEAR		<u>\$ 507,988</u>	<u>\$ 522,728</u>

**CITY OF EAST PEORIA, ILLINOIS
SOCIAL SECURITY FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ 245,000	\$ 242,813	\$ 398,206
Miscellaneous:			
Interest	350	975	642
Reimbursements	<u>5,500</u>	<u>5,634</u>	<u>5,543</u>
Total miscellaneous	<u>5,850</u>	<u>6,609</u>	<u>6,185</u>
Total revenues collected	250,850	249,422	404,391
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>-</u>	<u>(204,541)</u>
Total revenues	<u>250,850</u>	<u>249,422</u>	<u>199,850</u>
EXPENDITURES			
General government:			
FICA and Medicare contributions	<u>400,000</u>	<u>351,665</u>	<u>348,517</u>
Total expenditures	<u>400,000</u>	<u>351,665</u>	<u>348,517</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ (149,150)</u>	(102,243)	(148,667)
FUND BALANCE AT BEGINNING OF YEAR		<u>123,927</u>	<u>272,594</u>
FUND BALANCE AT END OF YEAR		<u>\$ 21,684</u>	<u>\$ 123,927</u>

**CITY OF EAST PEORIA, ILLINOIS
WORKMEN'S COMPENSATION FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ 700,000	\$ 694,551	\$ 646,755
Intergovernmental:			
Personal property replacement taxes	100,000	100,000	100,000
Miscellaneous:			
Interest	<u>1,100</u>	<u>2,786</u>	<u>1,043</u>
Total revenues collected	801,100	797,337	747,798
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>-</u>	<u>(332,209)</u>
Total revenues	<u>801,100</u>	<u>797,337</u>	<u>415,589</u>
EXPENDITURES			
General government:			
Insurance	1,000,000	774,499	664,997
Decrease in unpaid expenditures	<u>-</u>	<u>(58,414)</u>	<u>(23,962)</u>
Total expenditures	<u>1,000,000</u>	<u>716,085</u>	<u>641,035</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (198,900)</u>	81,252	(225,446)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR		<u>(105,973)</u>	<u>119,473</u>
FUND DEFICIT AT END OF YEAR		<u>\$ (24,721)</u>	<u>\$ (105,973)</u>

CITY OF EAST PEORIA, ILLINOIS
STREET AND BRIDGE FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006

	<u>Budget</u>	<u>2007</u> <u>Actual</u>	<u>2006</u> <u>Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ 350,000	\$ 346,577	\$ 323,707
Road and bridge taxes	195,000	203,591	192,954
Total taxes	<u>545,000</u>	<u>550,168</u>	<u>516,661</u>
Charges for services:			
Street and curb opening fees	<u>1,000</u>	<u>1,030</u>	<u>1,382</u>
Intergovernmental:			
Personal property replacement taxes	<u>71,000</u>	<u>71,457</u>	<u>76,177</u>
Miscellaneous:			
Interest	525	1,390	522
Reimbursements	1,000	66,172	13,234
Other	<u>5,000</u>	<u>8,507</u>	<u>12,195</u>
Total miscellaneous	<u>6,525</u>	<u>76,069</u>	<u>25,951</u>
Total revenues collected	623,525	698,724	620,171
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>-</u>	<u>(166,274)</u>
Total revenues	<u>623,525</u>	<u>698,724</u>	<u>453,897</u>
EXPENDITURES			
Maintenance and special projects:			
Wages and labor	700,000	710,975	647,370
Overtime	100,000	88,551	42,830
Engineering fees	40,000	8,383	72,291
Contractual services	35,000	44,173	18,448
Training, travel and meeting	1,250	946	1,159
Insurance	50,000	50,000	50,000
Maintenance and repair - equipment	8,000	565	2,954
Maintenance and repair - vehicles	50,000	40,454	36,060
Maintenance and repair - traffic signals	120,000	62,781	70,701
Maintenance and repair - storm sewers	50,000	13,075	3,544
Equipment rental	12,125	18,059	10,397
Clothing supplies and safety equipment	15,000	12,302	12,742
Motor fuel and lubricants	54,000	36,524	39,785
Vehicle supplies and accessories	9,375	12,591	6,487
Street repair and maintenance supplies	150,000	190,569	129,003
Operating supplies	7,500	15,450	6,177

**CITY OF EAST PEORIA, ILLINOIS
STREET AND BRIDGE FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
EXPENDITURES (CONTINUED)			
Maintenance and special projects (continued):			
Storm sewer maintenance	\$ 75,000	\$ -	\$ 3,240
Curb and sidewalk construction	100,000	-	6,292
Culvert purchases	13,000	1,780	3,105
Radio equipment purchases	1,000	-	50
Street signs and posts	18,750	6,789	9,139
Other operating expenses	25,000	15,483	20,447
Total maintenance and special projects	<u>1,635,000</u>	<u>1,329,450</u>	<u>1,192,221</u>
Capital outlay:			
Street paving and resurfacing	150,000	129,196	379,973
Automotive equipment purchases	35,000	20,523	-
Total capital outlay	<u>185,000</u>	<u>149,719</u>	<u>379,973</u>
 Total expenditures paid	 1,820,000	 1,479,169	 1,572,194
 Increase in unpaid expenditures	 -	 13,422	 8,082
 Total expenditures	 <u>1,820,000</u>	 <u>1,492,591</u>	 <u>1,580,276</u>
 DEFICIENCY OF REVENUES OVER EXPENDITURES	 <u>\$(1,196,475)</u>	 <u>(793,867)</u>	 <u>(1,126,379)</u>
 OTHER FINANCING SOURCES (USES)			
Operating transfer from General Fund		883,352	701,721
Operating transfer from Bond and Interest Fund		-	325,302
Operating transfer to Water and Sewer Fund		(75,000)	(75,000)
Total other financing sources		<u>808,352</u>	<u>952,023</u>
 EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES		 14,485	 (174,356)
 FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR		 <u>(136,086)</u>	 <u>38,270</u>
 FUND DEFICIT AT END OF YEAR		 <u>\$ (121,601)</u>	 <u>\$ (136,086)</u>

**CITY OF EAST PEORIA, ILLINOIS
RIVERBOAT GAMING TAX FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Intergovernmental:			
Illinois gaming tax	\$ 8,000,000	\$ 7,746,610	\$ 8,158,590
Miscellaneous:			
Interest and miscellaneous receipts	40,000	78,115	153,128
Total revenues collected	<u>8,040,000</u>	<u>7,824,725</u>	<u>8,311,718</u>
Increase (decrease) in uncollected revenues, net of deferred revenue	<u>-</u>	<u>268,736</u>	<u>(19,488)</u>
Total revenues	<u>8,040,000</u>	<u>8,093,461</u>	<u>8,292,230</u>
EXPENDITURES			
General government:			
Police	400,000	-	15,652
Fire/Ambulance	400,000	-	4,138
Capital Projects/Equipment	200,000	-	-
Other Infrastructure	1,300,000	-	88,074
Eastside Centre	600,000	-	38,846
TIF III/Marina	1,000,000	-	-
Camp Street TIF Loan	800,000	-	-
W Washington TIF Loan	500,000	-	-
Planning and community development - GIS	-	52,994	-
City administrator's office	-	2,744	-
Other operating expenses	-	-	1,848
Donations	-	5,000	7,295
Total general government	<u>5,200,000</u>	<u>60,738</u>	<u>155,853</u>
Public Works:			
Street paving project	-	518,056	420,020
Public property	-	4,941	-
	<u>-</u>	<u>522,997</u>	<u>420,020</u>
Gaming tax sharing:			
City of Peoria's allocation	<u>7,000,000</u>	<u>3,873,305</u>	<u>4,079,295</u>
Capital outlay:			
Street	-	275,507	-
Police	-	235,073	229,165
Fire/Ambulance	-	378,904	40,885

**CITY OF EAST PEORIA, ILLINOIS
RIVERBOAT GAMING TAX FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
EXPENDITURES (CONTINUED)			
Capital outlay (continued):			
Public property	\$ -	\$ 167,497	\$ -
Riverside Park	-	508,900	-
Bike Trail	-	25,257	-
Eastside Centre	-	77,701	-
Capital Projects/Equipment	<u>800,000</u>	<u>-</u>	<u>12,188</u>
Total capital outlay	<u>800,000</u>	<u>1,668,839</u>	<u>282,238</u>
Debt service:			
Principal payments	-	654,298	1,101,791
Interest and fiscal charges	<u>-</u>	<u>226,856</u>	<u>260,658</u>
Total debt service	<u>-</u>	<u>881,154</u>	<u>1,362,449</u>
Total expenditures paid	13,000,000	7,007,033	6,299,855
Increase in unpaid expenditures	<u>-</u>	<u>334,097</u>	<u>90,558</u>
Total expenditures	<u>13,000,000</u>	<u>7,341,130</u>	<u>6,390,413</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (4,960,000)</u>	<u>752,331</u>	<u>1,901,817</u>
OTHER FINANCING SOURCES (USES)			
Loan proceeds		656,066	-
Operating transfer from Police Protection Fund		1,369	-
Operating transfer to Special Tax Allocation Fund		<u>-</u>	<u>(8,117)</u>
Total other financing sources (uses)		<u>657,435</u>	<u>(8,117)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES		1,409,766	1,893,700
FUND BALANCE AT BEGINNING OF YEAR		<u>10,920,963</u>	<u>9,027,263</u>
FUND BALANCE AT END OF YEAR		<u>\$ 12,330,729</u>	<u>\$ 10,920,963</u>

**CITY OF EAST PEORIA, ILLINOIS
AUDIT FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>2007</u>	<u>2006</u>
	<u>Budget</u>	<u>Actual</u>
REVENUES		
Taxes:		
Property taxes	\$ 60,000	\$ 59,743
Miscellaneous:		
Interest	<u>100</u>	<u>239</u>
Total revenues collected	60,100	59,982
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>(18,117)</u>
Total revenues	<u>60,100</u>	<u>17,211</u>
EXPENDITURES		
General government:		
Municipal audit fees	<u>60,000</u>	<u>55,000</u>
Total expenditures	<u>60,000</u>	<u>55,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 100</u>	(37,789)
FUND BALANCE AT BEGINNING OF YEAR		<u>7,793</u>
FUND BALANCE AT END OF YEAR		<u>\$ 12,775</u>
		<u>\$ 7,793</u>

CITY OF EAST PEORIA, ILLINOIS
SCHOOL CROSSING GUARD FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006

	<u>2007</u>	<u>2006</u>	<u>Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ 2,000	\$ 2,096	\$ -
Miscellaneous:			
Interest	<u>10</u>	<u>9</u>	<u>-</u>
Total revenues collected	<u>2,010</u>	<u>2,105</u>	<u>-</u>
 EXPENDITURES			
General government:			
School crossing guard wages	<u>5,000</u>	<u>1,201</u>	<u>1,469</u>
Total expenditures	<u>5,000</u>	<u>1,201</u>	<u>1,469</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u>\$ (2,990)</u>	 904	 (1,469)
 FUND BALANCE AT BEGINNING OF YEAR		 <u>7,618</u>	 <u>9,087</u>
 FUND BALANCE AT END OF YEAR		 <u>\$ 8,522</u>	 <u>\$ 7,618</u>

**CITY OF EAST PEORIA, ILLINOIS
SEWER CHLORINATION FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ 25,000	\$ 24,805	\$ 20,437
Miscellaneous:			
Interest	<u>40</u>	<u>100</u>	<u>33</u>
Total revenues collected	25,040	24,905	20,470
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>-</u>	<u>(10,498)</u>
Total revenues	<u>25,040</u>	<u>24,905</u>	<u>9,972</u>
EXPENDITURES			
General government:			
Chlorine purchases	20,000	27,282	14,239
Increase (decrease) in unpaid expenditures	<u>-</u>	<u>(1,198)</u>	<u>519</u>
Total expenditures	<u>20,000</u>	<u>26,084</u>	<u>14,758</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 5,040</u>	(1,179)	(4,786)
FUND BALANCE AT BEGINNING OF YEAR		<u>13,650</u>	<u>18,436</u>
FUND BALANCE AT END OF YEAR		<u>\$ 12,471</u>	<u>\$ 13,650</u>

**CITY OF EAST PEORIA, ILLINOIS
STREET LIGHTING FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>2007</u>	<u>2006</u>
	<u>Budget</u>	<u>Actual</u>
REVENUES		
Taxes:		
Property taxes	\$ 60,000	\$ 59,743
Miscellaneous:		
Reimbursements	2,000	745
Interest	90	239
Total revenues collected	<u>62,090</u>	<u>60,727</u>
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>-</u>
Total revenues	<u>62,090</u>	<u>60,727</u>
		<u>57,434</u>
		<u>(28,277)</u>
		<u>29,157</u>
EXPENDITURES		
General government:		
Utilities - street lighting	<u>80,000</u>	<u>59,175</u>
Total expenditures paid	80,000	59,175
Increase in unpaid expenditures	<u>-</u>	<u>5,522</u>
Total expenditures	<u>80,000</u>	<u>64,697</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ (17,910)</u>	(3,970)
FUND BALANCE AT BEGINNING OF YEAR		<u>22,210</u>
FUND BALANCE AT END OF YEAR		<u>\$ 18,240</u>
		<u>\$ 22,210</u>

**CITY OF EAST PEORIA, ILLINOIS
UNEMPLOYMENT INSURANCE FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ -	\$ -	\$ 25,382
Miscellaneous:			
Interest	-	-	41
Total revenues collected	-	-	25,423
Decrease in uncollected revenues, net of deferred revenue	-	-	(13,037)
Total revenues	-	-	12,386
EXPENDITURES			
General government:			
Insurance	60,000	2,207	-
Total expenditures paid	60,000	2,207	-
Increase (decrease) in unpaid expenditures	-	(2,207)	2,207
Total expenditures	60,000	-	2,207
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (60,000)</u>	-	10,179
FUND BALANCE AT BEGINNING OF YEAR		<u>23,216</u>	<u>13,037</u>
FUND BALANCE AT END OF YEAR		<u>\$ 23,216</u>	<u>\$ 23,216</u>

**CITY OF EAST PEORIA, ILLINOIS
EMERGENCY SERVICE AND DISASTER ASSISTANCE FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>2007</u>	<u>2006</u>
	<u>Budget</u>	<u>Actual</u>
REVENUES		
Taxes:		
Property taxes	\$ 35,000	\$ 34,588
Miscellaneous:		
Interest	<u>50</u>	<u>139</u>
Total revenues collected	35,050	34,727
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>(16,593)</u>
Total revenues	<u>35,050</u>	<u>15,764</u>
EXPENDITURES		
General government:		
Maintenance and repair equipment	7,000	823
Operating supplies	<u>-</u>	<u>130</u>
	7,000	953
Capital outlay:		
Operating equipment purchases	<u>54,000</u>	<u>32,574</u>
Total expenditures	<u>61,000</u>	<u>31,545</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (25,950)</u>	1,200
		(15,781)
FUND BALANCE AT BEGINNING OF YEAR		<u>60,405</u>
		<u>76,186</u>
FUND BALANCE AT END OF YEAR		<u>\$ 61,605</u>
		<u>\$ 60,405</u>

CITY OF EAST PEORIA, ILLINOIS
HOTEL/MOTEL TAX FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes:			
Hotel/motel	\$ 600,000	\$ 681,487	\$ 631,918
Miscellaneous:			
Sundry	20,000	22,707	25,631
Festival of Lights Foundation	260,000	193,150	200,000
Float sponsorship	-	47,375	45,950
Donations	25,000	25,800	24,150
Festival of Lights tours	20,000	1,350	17,995
Other Festival of Lights receipts	1,500	13,007	16,700
Total miscellaneous	<u>326,500</u>	<u>303,389</u>	<u>330,426</u>
Total revenues collected	926,500	984,876	962,344
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>(675)</u>	<u>(3,235)</u>
Total revenues	<u>926,500</u>	<u>984,201</u>	<u>959,109</u>
EXPENDITURES			
General government:			
Wages	380,000	259,310	290,137
Overtime	125,000	105,435	81,075
Contracts	25,000	16,598	21,030
Printing	5,000	4,101	2,061
Postage	3,000	-	2,045
Travel, training, meeting expense	2,600	612	1,685
Sign shop supplies	26,250	19,458	21,263
Dues, subscriptions, publication	1,250	896	1,302
Rental	1,250	-	-
Contribution-Eastlight	10,000	-	-
Historical endowment	2,500	750	10,000
Miscellaneous operating expenses	13,750	4,819	7,665
Redbud/Mum/Landscaping program	25,450	14,809	22,589
Festival of Lights:			
Other operating expenses	10,625	8,104	8,233
Parade	132,000	48,834	60,343
City lighting	80,000	60,940	51,090
Enchanted Forest	20,000	20,771	12,696
Entertainment	1,000	67	517
Publicity	40,000	34,693	27,867
Tourism/public relations	31,250	8,051	25,175
Executive commission	625	-	-

**CITY OF EAST PEORIA, ILLINOIS
HOTEL/MOTEL TAX FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
EXPENDITURES (CONTINUED)			
General government (continued):			
Festival of Lights (continued):			
Classic	\$ 15,000	\$ 8,741	\$ 9,237
Market Place	75,000	48,487	40,126
Lunch with Santa	3,000	834	666
Folepi Open	7,000	1,845	2,444
Queen contest	1,600	2,212	1,938
Souvenirs / concessions	5,500	105	1,330
Winter wonderland	120,000	102,431	119,688
Office supplies	3,000	4,846	2,827
Contribution to Chamber and EDC projects	15,000	10,000	10,000
Clothing and safety supplies	-	184	-
Tourism expense	130,000	80,557	81,050
Tourism promotion	6,250	3,357	3,586
Office equipment	7,100	-	7,204
Total general government	<u>1,325,000</u>	<u>871,847</u>	<u>926,869</u>
Capital outlay:			
Electronic fireworks	<u>75,000</u>	<u>50,637</u>	<u>6,586</u>
Total capital outlay	<u>75,000</u>	<u>50,637</u>	<u>6,586</u>
Debt service:			
Principal payments	-	33,354	31,494
Interest and fiscal charges	-	<u>6,163</u>	<u>8,023</u>
Total debt service	<u>-</u>	<u>39,517</u>	<u>39,517</u>
Total expenditures paid	1,400,000	962,001	972,972
Increase (decrease) in unpaid expenditures	<u>-</u>	<u>8,810</u>	<u>(29,326)</u>
Total expenditures	<u>1,400,000</u>	<u>970,811</u>	<u>943,646</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (473,500)</u>	13,390	15,463
FUND BALANCE AT BEGINNING OF YEAR		<u>343,661</u>	<u>328,198</u>
FUND BALANCE AT END OF YEAR		<u>\$ 357,051</u>	<u>\$ 343,661</u>

**CITY OF EAST PEORIA, ILLINOIS
AMBULANCE SERVICE FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>2007</u>		<u>2006</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
REVENUES			
Charges for services	\$ 750,000	\$ 817,558	\$ 771,426
Reimbursements	5,000	4,775	2,080
Interest	-	7	8
Miscellaneous	5,000	6,650	4,760
Total revenues collected	<u>760,000</u>	<u>828,990</u>	<u>778,274</u>
Increase (decrease) in uncollected revenues, net of deferred revenue	<u>-</u>	<u>(19,151)</u>	<u>40,347</u>
Total revenues	<u>760,000</u>	<u>809,839</u>	<u>818,621</u>
EXPENDITURES			
Ambulance service:			
Wages	773,000	719,400	725,536
Overtime and holiday pay	100,000	130,523	108,575
Printing	1,000	-	-
Postage	3,000	2,009	1,500
Meeting and training	9,375	12,279	5,682
Clothing allowance	8,000	4,950	5,400
Insurance	58,000	58,000	58,000
Maintenance and repair - equipment	25,000	10,338	9,298
Maintenance and repair - vehicles	25,000	13,734	22,082
Other operating expenses	7,000	5,787	9,605
E.M.S. public education	625	-	-
Vehicle supplies and accessories	2,000	751	977
Operating supplies	60,000	51,276	53,820
Medical billing	65,000	65,206	60,286
Ambulance overpayment refunds	8,000	9,696	7,380
Total ambulance service	<u>1,145,000</u>	<u>1,083,949</u>	<u>1,068,141</u>
Capital outlay:			
Operating equipment purchases	<u>5,000</u>	<u>-</u>	<u>-</u>
Total expenditures paid	1,150,000	1,083,949	1,068,141
Increase (decrease) in unpaid expenditures	<u>-</u>	<u>(5,550)</u>	<u>9,431</u>
Total expenditures	<u>1,150,000</u>	<u>1,078,399</u>	<u>1,077,572</u>

CITY OF EAST PEORIA, ILLINOIS
 AMBULANCE SERVICE FUND
 STATEMENT OF REVENUES AND EXPENDITURES -
 BUDGET (CASH BASIS) AND ACTUAL
 Year Ended April 30, 2007
 With Comparative Actual Figures for Year Ended April 30, 2006

	<u>Budget</u>	<u>2007</u> <u>Actual</u>	<u>2006</u> <u>Actual</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	\$ (390,000)	\$ (268,560)	\$ (258,951)
OTHER FINANCING SOURCES			
Operating transfer from General Fund		<u>255,596</u>	<u>289,874</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES		(12,964)	30,923
FUND BALANCE AT BEGINNING OF YEAR		<u>129,923</u>	<u>99,000</u>
FUND BALANCE AT END OF YEAR		<u>\$ 116,959</u>	<u>\$ 129,923</u>

**CITY OF EAST PEORIA, ILLINOIS
 REVOLVING LOAN FUND
 STATEMENT OF REVENUES AND EXPENDITURES
 Year Ended April 30, 2007
 With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>2007</u>	<u>2006</u>
REVENUES		
Miscellaneous:		
Principal received	\$ 47,139	\$ 73,672
Interest received	9,503	9,700
Total revenues collected	<u>56,642</u>	<u>83,372</u>
Increase in uncollected revenues, net of deferred revenue	<u>-</u>	<u>7,189</u>
Total revenues	<u>56,642</u>	<u>90,561</u>
 EXPENDITURES		
Miscellaneous:		
Principal disbursed	150,000	60,000
Miscellaneous	-	9
Total expenditures	<u>150,000</u>	<u>60,009</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 (93,358)	 30,552
 FUND BALANCE AT BEGINNING OF YEAR	 <u>349,201</u>	 <u>318,649</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ 255,843</u>	 <u>\$ 349,201</u>

**CITY OF EAST PEORIA, ILLINOIS
IHDA GRANT FUND
STATEMENT OF REVENUES AND EXPENDITURES
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>2007</u>	<u>2006</u>
REVENUES		
Miscellaneous:		
Interest	\$ 230	\$ 203
Miscellaneous	<u>9,338</u>	<u>2,250</u>
Total revenues	9,568	2,453
 EXPENDITURES		
Miscellaneous:		
Other	<u>2,538</u>	<u>-</u>
 EXCESS OF REVENUES OVER EXPENDITURES	7,030	2,453
 FUND BALANCE AT BEGINNING OF YEAR	<u>19,678</u>	<u>17,225</u>
 FUND BALANCE AT END OF YEAR	<u>\$ 26,708</u>	<u>\$ 19,678</u>

**CITY OF EAST PEORIA, ILLINOIS
FIREMEN'S PENSION LEVY FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Taxes:			
Property taxes	\$ 628,604	\$ 623,628	\$ 386,339
Telecommunications tax	<u>200,000</u>	<u>200,000</u>	<u>251,777</u>
Total taxes	828,604	823,628	638,116
Intergovernmental:			
Personal property replacement tax	27,000	28,975	28,025
Miscellaneous:			
Interest	<u>1,200</u>	<u>2,501</u>	<u>623</u>
Total revenues collected	856,804	855,104	666,764
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>(5,102)</u>	<u>(192,865)</u>
Total revenues	<u>856,804</u>	<u>850,002</u>	<u>473,899</u>
EXPENDITURES			
Fire department:			
Contributions paid to City of East Peoria Firefighter's Pension Fund	860,000	848,904	659,564
Actuarial services	<u>8,000</u>	<u>6,200</u>	<u>7,200</u>
Total expenditures paid	868,000	855,104	666,764
Decrease in unpaid expenditures	<u>-</u>	<u>(5,102)</u>	<u>(192,865)</u>
Total expenditures	<u>868,000</u>	<u>850,002</u>	<u>473,899</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>\$ (11,196)</u>	-	-
FUND BALANCE AT BEGINNING OF YEAR		-	-
FUND BALANCE AT END OF YEAR		<u>\$ -</u>	<u>\$ -</u>

**CITY OF EAST PEORIA, ILLINOIS
POLICE PENSION LEVY FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>2007</u>	<u>2006</u>
REVENUES	<u>Budget</u>	<u>Actual</u>
Taxes:		
Property taxes	\$ 561,236	\$ 556,898
Telecommunications tax	<u>200,000</u>	<u>200,000</u>
	761,236	533,625
Intergovernmental:		
Personal property replacement tax	35,600	37,205
Miscellaneous:		
Interest	<u>1,000</u>	<u>2,233</u>
	797,836	570,351
Total revenues collected	797,836	796,336
Decrease in uncollected revenues, net of deferred revenue	<u>-</u>	<u>(5,102)</u>
Total revenues	<u>797,836</u>	<u>431,346</u>
 EXPENDITURES		
Police department:		
Contributions paid to City of East Peoria Police Pension Fund	800,000	790,136
Actuarial services	<u>8,000</u>	<u>6,200</u>
Total expenditures paid	808,000	570,351
Decrease in unpaid expenditures	<u>-</u>	<u>(5,102)</u>
Total expenditures	<u>808,000</u>	<u>431,346</u>
 DEFICIENCY OF REVENUES OVER EXPENDITURES	 <u>\$ (10,164)</u>	 -
 FUND BALANCE AT BEGINNING OF YEAR	 <u>-</u>	 <u>-</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ -</u>	 <u>\$ -</u>

**CITY OF EAST PEORIA, ILLINOIS
BOND AND INTEREST FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Reimbursements	\$ -	2,391,726	\$ -
Interest	-	28,043	30,902
Total revenues collected	-	2,419,769	30,902
Decrease in uncollected revenues, net of deferred revenue	-	(2,389,000)	-
Total revenues	-	30,769	30,902
EXPENDITURES			
Principal payments	-	2,345,000	-
Interest and fiscal charges	3,000	151,581	195,022
Miscellaneous	-	150	150
Total expenditures paid	3,000	2,496,731	195,172
Increase in unpaid expenditures	-	-	-
Total expenditures	3,000	2,496,731	195,172
Deficiency of revenues over expenditures	(3,000)	(2,465,962)	(164,270)
OTHER FINANCING SOURCES			
Operating transfer from General Fund	-	250,000	360,000
Operating transfer to Special Tax Allocation Fund	-	-	(297,673)
Operating transfer to Street and Bridge Fund	-	-	(325,302)
Total other financing sources (uses)	-	250,000	(262,975)
DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES			
	<u>\$ (3,000)</u>	(2,215,962)	(427,245)
FUND BALANCE AT BEGINNING OF YEAR		<u>4,481,277</u>	<u>4,908,522</u>
FUND BALANCE AT END OF YEAR		<u>\$ 2,265,315</u>	<u>\$ 4,481,277</u>

**CITY OF EAST PEORIA, ILLINOIS
PUBLIC BENEFIT FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES PAID			
Miscellaneous	125,000	103,420	21,284
Decrease in unpaid expenditures	<u>-</u>	<u>(103,420)</u>	<u>103,668</u>
Total expenditures	<u>125,000</u>	<u>-</u>	<u>124,952</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(125,000)	-	(124,952)
OTHER FINANCING SOURCES			
Operating transfer from General Fund	<u>-</u>	<u>101,501</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>\$(125,000)</u>	101,501	(124,952)
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR		<u>(101,749)</u>	<u>23,203</u>
FUND DEFICIT AT END OF YEAR		<u>\$ (248)</u>	<u>\$(101,749)</u>

**CITY OF EAST PEORIA, ILLINOIS
SPECIAL TAX ALLOCATION FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET (CASH BASIS) AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
REVENUES			
Property and sales taxes	\$ 1,310,000	1,282,606	\$ 1,209,245
Miscellaneous:			
Interest	1,290	2,515	1,670
Reimbursements	<u>10,000</u>	<u>-</u>	<u>-</u>
Total revenues collected	1,321,290	1,285,121	1,210,915
 Increase (decrease) in uncollected revenues, net of deferred revenue	 <u>-</u>	 <u>497</u>	 <u>(256,588)</u>
 Total revenues	 <u>1,321,290</u>	 <u>1,285,618</u>	 <u>954,327</u>
 EXPENDITURES			
Principal payments	1,375,000	1,401,966	3,460,922
Interest and fiscal charges	700,000	1,494,447	1,460,441
Distributions to other taxing districts	118,000	111,261	131,909
Development and engineering fees	200,000	13,911	21,116
Bond issue costs	-	-	168,395
Miscellaneous	<u>732,000</u>	<u>11,000</u>	<u>15,445</u>
Total expenditures paid	3,125,000	3,032,585	5,258,228
 Increase (decrease) in unpaid expenditures	 <u>-</u>	 <u>12,365</u>	 <u>(167,769)</u>
 Total expenditures	 <u>3,125,000</u>	 <u>3,044,950</u>	 <u>5,090,459</u>
 Deficiency of revenues over expenditures	 <u>(1,803,710)</u>	 <u>(1,759,332)</u>	 <u>(4,136,132)</u>
 OTHER FINANCING SOURCES			
Proceeds from the issuance of bonds	-	-	2,090,000
Proceeds from property sales	-	900,000	-
Operating transfer from General Fund	-	-	297,673
Operating transfers from Riverboat Gaming	<u>1,733,471</u>	<u>-</u>	<u>-</u>
Total other financing sources	1,733,471	900,000	2,387,673
 DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	 <u>\$ (70,239)</u>	 <u>(859,332)</u>	 <u>(1,748,459)</u>
 FUND DEFICIT AT BEGINNING OF YEAR		 <u>(9,772,121)</u>	 <u>(8,023,662)</u>
 FUND DEFICIT AT END OF YEAR		 <u>\$(10,631,453)</u>	 <u>\$(9,772,121)</u>

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**CITY OF EAST PEORIA, ILLINOIS
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES AND EXPENDITURES
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>2007</u>	<u>2006</u>
REVENUES		
Property taxes	191,025	\$ 108,037
Grant revenue	-	2,000,000
Interest	398,992	507,006
Reimbursements	26,296	166,802
Total revenues collected	<u>616,313</u>	<u>2,781,845</u>
Decrease in uncollected revenues, net of deferred revenue	<u>(12,406)</u>	<u>(40,552)</u>
Total revenues	<u>603,907</u>	<u>2,741,293</u>
EXPENDITURES		
Development and engineering fees	5,202,520	7,799,567
Attorney fees	94,475	457,160
Other operating expenses	62,799	-
Total expenditures paid	<u>5,359,794</u>	<u>8,256,727</u>
Increase in unpaid expenditures	<u>2,933,346</u>	<u>418,580</u>
Total expenditures	<u>8,293,140</u>	<u>8,675,307</u>
Deficiency of revenues over expenditures	<u>(7,689,233)</u>	<u>(5,934,014)</u>
OTHER FINANCING SOURCES		
Loan proceeds	-	387,555
Operating transfer from Riverboat Gaming Tax Fund	-	8,117
Total other financing sources	<u>-</u>	<u>395,672</u>
DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES		
	<u>(7,689,233)</u>	<u>(5,538,342)</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>13,232,474</u>	<u>18,770,816</u>
FUND BALANCE AT END OF YEAR	<u>\$ 5,543,241</u>	<u>\$13,232,474</u>

**CITY OF EAST PEORIA, ILLINOIS
 COMBINING SCHEDULE OF FIDUCIARY NET ASSETS
 April 30, 2007**

	<u>Pension Trust Funds</u>	
	<u>City of East Peoria Firefighter's Pension Fund</u>	<u>City of East Peoria Police Pension Fund</u>
ASSETS		
Cash and cash equivalents	\$ 229,011	\$ 530,982
Receivables:		
Employer	1,021,942	833,835
Plan members' contributions	17,612	30,149
Accrued interest and dividends	<u>73,301</u>	<u>171,012</u>
Total receivables	<u>1,112,855</u>	<u>1,034,996</u>
Investments, at fair value:		
Money market funds	515,425	859,957
U.S. Government notes and bonds	4,465,461	6,949,505
U.S. Government agency obligations	526,474	3,263,650
Mutual funds	1,388,974	-
Common stocks	<u>4,536,543</u>	<u>6,097,103</u>
Total investments	<u>11,432,877</u>	<u>17,170,215</u>
Total assets	<u>12,774,743</u>	<u>18,736,193</u>
LIABILITIES		
Accounts payable and accrued payroll taxes	2,158	1,725
Amounts held for others	<u>-</u>	<u>-</u>
Total liabilities	<u>2,158</u>	<u>1,725</u>
NET ASSETS HELD IN TRUST FOR PENSION BENEFIT OBLIGATION	<u>\$ 12,772,585</u>	<u>\$ 18,734,468</u>

<u>Total Pension Trust Funds</u>	<u>Agency Funds</u>			<u>Total Agency Funds</u>	<u>Total</u>
	<u>Levi King Scholarship Fund</u>	<u>Dependent Care Fund</u>	<u>Unreimbursed Medical Fund</u>		
<u>\$ 759,993</u>	<u>\$ 8,733</u>	<u>\$ 1,407</u>	<u>\$11,252</u>	<u>\$ 21,392</u>	<u>\$ 781,385</u>
1,855,777	-	-	-	-	1,855,777
47,761	-	-	-	-	47,761
<u>244,313</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>244,313</u>
<u>2,147,851</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,147,851</u>
1,375,382	-	-	-	-	1,375,382
11,414,966	-	-	-	-	11,414,966
3,790,124	-	-	-	-	3,790,124
1,388,974	-	-	-	-	1,388,974
<u>10,633,646</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,633,646</u>
<u>28,603,092</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,603,092</u>
<u>31,510,936</u>	<u>8,733</u>	<u>1,407</u>	<u>11,252</u>	<u>21,392</u>	<u>31,532,328</u>
3,883	-	-	-	-	3,883
<u>-</u>	<u>8,733</u>	<u>1,407</u>	<u>11,252</u>	<u>21,392</u>	<u>21,392</u>
<u>3,883</u>	<u>8,733</u>	<u>1,407</u>	<u>11,252</u>	<u>21,392</u>	<u>25,275</u>
<u>\$ 31,507,053</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,507,053</u>

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**CITY OF EAST PEORIA, ILLINOIS
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET ASSETS
 Year Ended April 30, 2007**

	<u>Pension Trust Funds</u>		<u>Total</u>
	<u>City of East Peoria Firefighter's Pension Fund</u>	<u>City of East Peoria Police Pension Fund</u>	
ADDITIONS			
Contributions:			
Plan members' contributions	\$ 224,238	\$ 249,358	\$ 473,596
Employer contributions	1,022,713	847,881	1,870,594
Transfer of creditable services	-	142,331	142,331
Total contributions	<u>1,246,951</u>	<u>1,239,570</u>	<u>2,486,521</u>
Investment income:			
Net realized and unrealized gains on investments	557,740	681,736	1,239,476
Dividends and interest	389,966	740,928	1,130,894
Total investment income	<u>947,706</u>	<u>1,422,664</u>	<u>2,370,370</u>
Less investment expenses	<u>64,522</u>	<u>106,466</u>	<u>170,988</u>
Net investment income	<u>883,184</u>	<u>1,316,198</u>	<u>2,199,382</u>
Total additions	<u>2,130,135</u>	<u>2,555,768</u>	<u>4,685,903</u>
DEDUCTIONS			
Benefits paid	849,756	1,209,531	2,059,287
Refunds of contributions	2,339	-	2,339
Administrative expenses	48,676	35,478	84,154
Total deductions	<u>900,771</u>	<u>1,245,009</u>	<u>2,145,780</u>
NET INCREASE	1,229,364	1,310,759	2,540,123
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
Beginning of year	<u>11,543,221</u>	<u>17,423,709</u>	<u>28,966,930</u>
End of year	<u>\$ 12,772,585</u>	<u>\$ 18,734,468</u>	<u>\$ 31,507,053</u>

CITY OF EAST PEORIA, ILLINOIS
 COMBINING SCHEDULE OF OPERATING EXPENSES
 OTHER THAN DEPRECIATION
 ENTERPRISE FUNDS
 Year Ended April 30, 2007
 With Comparative Actual Figures for Year Ended April 30, 2006

	<u>Water Department</u>
OPERATING EXPENSES	
Regular salaries	\$ 681,605
Clerical salaries	104,642
Overtime	47,617
IMRF	128,851
Social security	60,000
Employee benefits	-
Engineering fees	22,762
Audit fees	6,700
Attorneys fees	114,418
Management fee	-
Contractual services	35,455
Advertising	-
Printing	10,055
Postage	22,210
Dues and subscriptions	-
Travel and meeting expense	3,262
Insurance and bonding	242,844
Utilities:	
Buildings	23,508
Pumping	197,295
Maintenance and repairs:	
Buildings	6,578
Equipment	53,667
Vehicles	4,237
Sewer lines	-
Plant No. 1	-
Plant No. 2	-
Plant No. 3	-
Lift stations	-
Equipment rental	4,154
Other operating expenses	11,518
Office supplies	23,169
Concession supplies	-
Clothing supplies	9,183
Claims and judgments	120
Motor fuel and lubricants	37,511
Sludge processing and handling	-
Laboratory supplies	-
Vehicle supplies and accessories	2,365
Building maintenance supplies	135
Water main repair supplies	27,908
Water treatment supplies	63,152
Meters	24,059
Meter parts and repairs	734
Pipe and fittings	100,164
Fire hydrant purchases and supplies	4,050
Operating supplies	4,099
Sewer construction expense	-
Deposit refunds	-
	\$ 2,078,027
TOTAL OPERATING EXPENSES	

Water and Sewer Fund

<u>Sewer Department</u>	<u>Sewer Maintenance Department</u>	<u>Eastport Marina Fund</u>	<u>Eastside Centre Fund</u>	<u>Totals</u>	
				<u>2007</u>	<u>2006</u>
\$ 615,776	\$ 88,551	\$ 111,459	\$ 693,139	\$ 2,190,530	\$ 2,012,098
54,774	-	-	-	159,416	170,072
44,709	12,911	-	2,190	107,427	64,275
-	-	-	-	128,851	118,041
43,000	8,000	13,296	-	124,296	98,546
-	-	25,277	-	25,277	41,017
84,669	-	-	-	107,431	74,838
-	-	-	-	6,700	2,300
-	-	-	-	114,418	125,000
-	-	142,707	-	142,707	162,719
-	-	84,421	79,860	199,736	201,288
-	-	3,594	30,753	34,347	35,873
-	-	-	2,565	12,620	14,572
-	-	-	3,987	26,197	34,827
1,022	-	-	-	1,022	2,042
3,935	-	-	12,333	19,530	19,552
199,736	51,156	-	31,000	524,736	494,512
4,336	-	47,275	108,734	183,853	228,300
270,280	-	-	-	467,575	438,458
286	16,750	38,657	63,969	126,240	123,600
-	17,480	6,985	38,225	116,357	96,292
20,059	8,899	-	3,398	36,593	20,598
202,249	-	-	-	202,249	155,211
155,689	-	-	-	155,689	83,461
-	-	-	-	-	5,810
35,384	-	-	-	35,384	14,363
17,576	-	-	-	17,576	27,592
-	-	565	14,677	19,396	21,236
20,824	1,259	16,442	58,738	108,781	150,279
-	-	3,872	18,417	45,458	41,424
-	-	-	113,475	113,475	103,641
8,908	358	1,738	4,398	24,585	22,858
-	-	-	-	120	148
11,451	28,582	-	7,958	85,502	87,912
65,397	-	-	-	65,397	53,090
6,258	-	-	-	6,258	8,363
-	-	-	-	2,365	688
-	-	-	-	135	92
-	-	-	-	27,908	32,381
-	-	-	-	63,152	49,761
-	-	-	-	24,059	17,247
-	-	-	-	734	342
-	-	-	-	100,164	60,958
-	-	-	-	4,050	12,441
20,654	-	256,693	8,773	290,219	275,357
-	81,244	-	-	81,244	18,906
-	-	-	-	-	434
<u>\$ 1,886,972</u>	<u>\$ 315,190</u>	<u>\$ 752,981</u>	<u>\$ 1,296,589</u>	<u>\$ 6,329,759</u>	<u>\$ 5,822,815</u>

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**CITY OF EAST PEORIA, ILLINOIS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS (DEFICIT)
INTERNAL SERVICE FUND
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Insurance Reserve Fund</u>	
	<u>2007</u>	<u>2006</u>
OPERATING REVENUES		
Charges for coverage	\$ 2,647,830	\$ 2,577,467
Miscellaneous	<u>52,809</u>	<u>133,010</u>
Total operating revenues	2,700,639	2,710,477
OPERATING EXPENSES		
Claims	<u>2,845,522</u>	<u>2,243,792</u>
Operating income (loss)	(144,883)	466,685
NONOPERATING REVENUES		
Interest	<u>12,275</u>	<u>5,371</u>
Net income (loss)	(132,608)	472,056
RETAINED EARNINGS (DEFICIT), BEGINNING OF YEAR	<u>297,269</u>	<u>(174,787)</u>
RETAINED EARNINGS, END OF YEAR	<u>\$ 164,661</u>	<u>\$ 297,269</u>

**CITY OF EAST PEORIA, ILLINOIS
 ASSESSED VALUATIONS, TAXES LEVIED, TAX RATES,
 TAX EXTENSIONS, AND TAX COLLECTIONS
 April 30, 2007**

2005 Tax Levy				
Assessed valuation, excluding Tax Increment Financing District Increment				<u>\$ 349,331,797</u>
<u>Fund</u>	<u>Levy</u>	<u>Rate</u>	<u>Amount Extended by County Clerk</u>	<u>Amount Collected</u>
General	\$ 266,543	0.0756	\$ 264,095	\$ 264,125
Police Protection	460,000	0.1307	456,577	456,629
Fire Protection	460,000	0.1307	456,577	456,629
Garbage Collection and Disposal	460,000	0.1307	456,577	456,629
Sewer Chlorination	25,000	0.0071	24,803	24,805
Illinois Municipal Retirement	50,000	0.0142	49,605	49,611
FICA	245,000	0.0695	242,786	242,813
Workmen's Compensation	700,000	0.1988	694,472	694,551
Street and Bridge	350,000	0.0992	346,537	346,577
Audit	60,000	0.0171	59,736	59,743
Street Lighting	60,000	0.0171	59,736	59,743
Unemployment Insurance	-	-	-	-
Emergency Service and Disaster Assistance	35,000	0.0099	34,584	34,588
Bond and Interest	-	-	-	-
Firemen's Pension	628,604	0.1785	623,557	623,628
Police Pension	561,236	0.1594	556,835	556,898
School Crossing Guard	2,000	0.0006	2,096	2,096
	<u>\$ 4,363,383</u>	<u>1.2391</u>	<u>\$ 4,328,573</u>	<u>4,329,065</u>
Road and Bridge Tax				<u>203,591</u>
				<u>\$ 4,532,656</u>

CITY OF EAST PEORIA, ILLINOIS
 TAXES RECEIVABLE
 April 30, 2007

		<u>2006 Tax Levy</u>			
Assessed valuation, excluding Tax Increment Financing District Increment				<u>\$ 369,496,445</u>	
<u>Fund</u>	<u>Levy</u>	<u>Rate</u>	<u>Amount Extended by County Clerk</u>	<u>Collected Within 60 Days After April 30, 2006</u>	
General	\$ 263,452	0.0705	\$ 260,495	\$	-
Police Protection	460,000	0.1229	454,111		-
Fire Protection	460,000	0.1229	454,111		-
Garbage Collection and Disposal	460,000	0.1229	454,111		-
Sewer Chlorination	25,000	0.0067	24,756		-
Illinois Municipal Retirement	50,000	0.0133	49,143		-
Social Security	340,000	0.0908	335,503		-
Workmen's Compensation	650,000	0.1736	641,447		-
Street and Bridge	553,591	0.0987	364,693		-
Audit	45,000	0.0120	44,340		-
Street Lighting	27,000	0.0072	26,604		-
Emergency Service and Disaster Assistance	35,000	0.0094	34,733		-
School Crossing Guards	1,000	0.0003	1,109		-
Firemen's Pension	810,735	0.2165	799,960		-
Police Pension	622,880	0.1664	614,842		-
	<u>\$ 4,803,658</u>	<u>1.2341</u>	<u>\$ 4,559,958</u>	<u>\$</u>	<u>-</u>

CITY OF EAST PEORIA, ILLINOIS
 LEGAL DEBT MARGIN
 April 30, 2007

ASSESSED VALUATION - 2006 TAX YEAR		<u>\$ 369,496,445</u>
STATUTORY DEBT LIMITATION (8.625 percent of assessed valuation)		\$ 31,869,068
TOTAL DEBT		
Notes payable to banks	\$ 7,575,924	
Note payable to others	329,422	
Notes payable to Illinois Environmental Protection Agency	3,605,916	
Special assessment bonds	2,280,000	
Project bonds	10,080,000	
General obligation bonds (alternate revenue source)	32,560,000	
Revenue bonds	1,480,000	
Deduct debt exempt from debt limitation computation:		
Project bonds	(10,080,000)	
General obligation bonds (alternate revenue source)	(32,560,000)	
Revenue bonds	<u>(1,480,000)</u>	<u>13,791,262</u>
LEGAL DEBT MARGIN		<u>\$ 18,077,806</u>

**CITY OF EAST PEORIA, ILLINOIS
WATER AND SEWER FUND
OPERATING EXPENSES - BUDGET AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
WATER DEPARTMENT			
Regular salaries	\$ 690,000	\$ 681,605	\$ 661,061
Clerical salaries	150,000	104,642	111,664
Overtime	100,000	47,617	32,204
IMRF	140,000	128,851	118,041
Social security	75,000	60,000	45,000
Engineering fees	75,000	22,762	5,303
Audit fees	15,000	6,700	2,300
Attorneys fees	130,000	114,418	125,000
Contractual services	35,000	35,455	20,499
Printing	20,000	10,055	12,569
Postage and express	40,000	22,210	32,671
Travel and meeting expense	3,750	3,262	1,896
Insurance and bonding	242,900	242,844	215,826
Utilities:			
Buildings	22,500	23,508	36,758
Pumping	250,000	197,295	192,385
Maintenance and repairs:			
Buildings	9,375	6,578	5,932
Equipment	50,000	53,667	45,197
Vehicles	9,375	4,237	7,934
Equipment rental	3,125	4,154	4,650
Other operating expenses	8,750	11,518	6,801
Office supplies	25,000	23,169	15,262
Clothing supplies	11,250	9,183	8,009
Claims and judgments	15,000	120	135
Motor fuel and lubricants	38,225	37,511	26,890
Vehicle supplies and accessories	750	2,365	688
Building maintenance supplies	625	135	92
Water main repair supplies	40,000	27,908	32,381
Water treatment supplies	65,000	63,152	49,761
Meters	35,125	24,059	17,247
Meter parts and repairs	2,500	734	342
Pipe and fittings	87,500	100,164	60,958
Fire hydrant purchases and supplies	18,000	4,050	12,441
Operating supplies	3,750	4,099	2,017
Deposit refunds	-	-	434
	<hr/>	<hr/>	<hr/>
Total Water Department operating expenses	<u>2,412,500</u>	<u>2,078,027</u>	<u>1,910,348</u>

**CITY OF EAST PEORIA, ILLINOIS
WATER AND SEWER FUND
OPERATING EXPENSES - BUDGET AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007</u> <u>Actual</u>	<u>2006</u> <u>Actual</u>
SEWER DEPARTMENT			
Regular salaries	\$ 550,000	\$ 615,776	\$ 526,365
Clerical salaries	65,000	54,774	58,408
Overtime	50,000	44,709	21,392
Social security	45,000	43,000	32,250
Engineering fees	100,000	84,669	69,535
Dues and subscriptions	1,500	1,022	1,489
Travel and meeting expense	5,000	3,935	3,813
Insurance and bonding	200,000	199,736	197,510
Utilities:			
Buildings	5,000	4,336	26,901
Pumping	350,000	270,280	246,073
Maintenance and repair:			
Buildings	9,000	286	293
Vehicles	12,500	20,059	5,571
Sewer lines	250,000	202,249	155,211
Plant No. 1	98,750	155,689	83,461
Plant No. 2	6,250	-	5,810
Plant No. 3	57,500	35,384	14,363
Lift stations	66,000	17,576	27,592
Other operating expenses	6,000	20,824	4,862
Clothing and safety equipment	12,200	8,908	10,811
Claims and judgments	3,000	-	13
Motor fuel and lubricants	18,000	11,451	9,091
Sludge processing and handling	81,250	65,397	53,090
Laboratory supplies	11,250	6,258	8,363
Operating supplies	11,000	20,654	8,899
	<u>2,014,200</u>	<u>1,886,972</u>	<u>1,571,166</u>
Total Sewer Department operating expenses	<u>2,014,200</u>	<u>1,886,972</u>	<u>1,571,166</u>

**CITY OF EAST PEORIA, ILLINOIS
WATER AND SEWER FUND
OPERATING EXPENSES - BUDGET AND ACTUAL
Year Ended April 30, 2007
With Comparative Actual Figures for Year Ended April 30, 2006**

	<u>Budget</u>	<u>2007 Actual</u>	<u>2006 Actual</u>
SEWER MAINTENANCE DEPARTMENT			
Regular salaries	\$ 125,000	\$ 88,551	\$ 77,602
Overtime	50,000	12,911	6,812
Social security	10,000	8,000	6,000
Insurance	52,000	51,156	50,176
Maintenance and repair - buildings	-	16,750	248
Maintenance and repair - vehicles	7,000	8,899	4,827
Maintenance and repair - equipment	-	17,480	967
Other operating expenses	8,000	1,259	1,835
Clothing and safety equipment	2,000	358	475
Motor fuel and lubricants	51,000	28,582	45,319
Operating supplies	10,000	-	1,336
Sewer construction expense	-	81,244	18,906
	<hr/>	<hr/>	<hr/>
Total Sewer Maintenance Department operating expenses	<u>315,000</u>	<u>315,190</u>	<u>214,503</u>
 TOTAL OPERATING EXPENSES	 <u>\$ 4,741,700</u>	 <u>\$ 4,280,189</u>	 <u>\$ 3,696,017</u>

**CITY OF EAST PEORIA, ILLINOIS
SPECIAL TAX ALLOCATION FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS BY DISTRICT
Year Ended April 30, 2007**

	<u>District II</u>	<u>District III</u>	<u>Camp Street TIF District</u>	<u>Total</u>
RECEIPTS				
Tax increment financing:				
Property taxes	\$ 70,936	\$ 656,130	\$ -	\$ 727,066
State sales taxes	279,749	-	-	279,749
Municipal sales taxes	275,791	-	-	275,791
Interest income	2	2,513	-	2,515
Interfund borrowing	-	924,000	1,437,361	2,361,361
Total receipts	<u>626,478</u>	<u>1,582,643</u>	<u>1,437,361</u>	<u>3,646,482</u>
DISBURSEMENTS				
1998-B Refunding Tax Increment Bond interest	-	313,610	-	313,610
1998-B Refunding Tax Increment Bonds	-	850,000	-	850,000
2002-C Tax Increment Bond interest	-	-	162,385	162,385
2002-C Tax Increment Bonds	-	-	185,000	185,000
2004-A Tax Increment Bond interest	-	-	149,044	149,044
2004-B Tax Increment Bond interest	-	-	109,585	109,585
2004-D Tax Increment Bond interest	-	-	379,208	379,208
2005-A Tax Increment Bond interest	-	-	169,611	169,611
2005-B Tax Increment Bond interest	-	-	50,625	50,625
2005-D Refunding Tax Increment Bond interest	-	80,442	-	80,442
2005-D Refunding Tax Increment Bonds	-	215,000	-	215,000
Distribution to other taxing districts	-	111,261	-	111,261
Principal paid on notes payable	-	-	151,966	151,966
Interest paid on notes payable	-	-	79,937	79,937
Development and engineering fees	13,911	-	-	13,911
Bank collection charges	-	5,000	-	5,000
Attorney fees	6,000	-	-	6,000
Total disbursements	<u>19,911</u>	<u>1,575,313</u>	<u>1,437,361</u>	<u>3,032,585</u>
Excess (deficiency) of receipts over disbursements	606,567	7,330	-	613,897
CASH AND INVESTMENTS AT APRIL 30, 2006				
	<u>2,583,853</u>	<u>15,811</u>	<u>-</u>	<u>2,599,664</u>
CASH AND INVESTMENTS AT APRIL 30, 2007				
	<u>\$ 3,190,420</u>	<u>\$ 23,141</u>	<u>\$ -</u>	<u>\$ 3,213,561</u>

**CITY OF EAST PEORIA, ILLINOIS
CAPITAL PROJECTS FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS BY DISTRICT
Year Ended April 30, 2007**

	<u>Camp Street TIF District</u>	<u>Washington Street TIF District</u>	<u>Total</u>
RECEIPTS			
Tax increment financing:			
Property taxes	\$ 150,589	\$ 40,436	\$ 191,025
Property sales	900,000	-	900,000
Interest income	394,042	4,950	398,992
Reimbursements	26,296	-	26,296
Interfund borrowing	-	63,861	63,861
	<u>1,470,927</u>	<u>109,247</u>	<u>1,580,174</u>
Total receipts			
DISBURSEMENTS			
Development and engineering fees	4,634,288	568,232	5,202,520
Other fees	16,006	-	16,006
Other operating expenses	2,644	44,149	46,793
Attorney fees	76,458	18,017	94,475
Interfund borrowing	366,423	-	366,423
	<u>5,095,819</u>	<u>630,398</u>	<u>5,726,217</u>
Total disbursements			
Excess (deficiency) of receipts over disbursements	(3,624,892)	(521,151)	(4,146,043)
CASH AT APRIL 30, 2006	<u>11,678,171</u>	<u>570,088</u>	<u>12,248,259</u>
CASH AT APRIL 30, 2007	<u>\$ 8,053,279</u>	<u>\$ 48,937</u>	<u>\$ 8,102,216</u>

**CITY OF EAST PEORIA, ILLINOIS
INSURANCE COVERAGE
April 30, 2007**

(Unaudited - See Accompanying Independent Auditor's Report)

<u>Name of Insurer</u>	<u>Risk Covered</u>	<u>Amount</u>	<u>Expiration Date</u>
	Automobile		
St. Paul Fire & Marine Company	Bodily injury and property damage	\$ 7,000,000	May 1, 2007
	Medical payments	1,000	
	Uninsured/Underinsured motorist	100,000	
	Commercial Package		
	General Liability - Bodily Injury and Property Damage	7,000,000	
	Public Management Liability	7,000,000	
	Professional Liability (Health Care)	7,000,000	
	Law Enforcement Liability	7,000,000	
	Property and building contents including boiler and machinery equipment	75,793,141	
	Equipment floater	2,801,484	
	Valuable papers coverage	25,000	
	Employee dishonesty bond	10,000	
	Computers:		
	Hardware	500,000	
	Software	200,000	
	Loss of income/extra expense	100,000	

**CITY OF EAST PEORIA, ILLINOIS
MISCELLANEOUS INFORMATION
April 30, 2007**

(Unaudited - See Accompanying Independent Auditor's Report)

NUMBER OF ACCOUNTS SERVED AT APRIL 30, 2007

Sewer	7,477
Metered water	7,552
Unmetered water	1

**APPROXIMATE GALLONS OF SEWAGE TREATED
DURING THE YEAR ENDED APRIL 30, 2007**

1,583,870,000

**APPROXIMATE GALLONS OF WATER DURING
THE YEAR ENDED APRIL 30, 2007**

Pumped (in millions of gallons)	1,007
Billed (in millions of gallons)	713

A summary of rates in effect at April 30, 2007 follows:

<u>Water</u>	<u>Sewer</u>
First 3,000 gallons or less - \$4.73 per 1,000 gallons	\$3.81 per 1,000 gallons of water metered
Next 7,000 gallons at \$4.03 per 1,000 gallons	3,000 gallons or less minimum charge - \$11.43
Next 25,000 gallons at \$3.38 per 1,000 gallons	Nonmetered flat rate sewer charge - \$41.84 bi-monthly
Next 35,000 gallons at \$3.38 per 1,000 gallons	Senior citizens rate - flat rate sewer charge - \$24.71 bi-monthly
Nonmetered flat rate - \$48.93 monthly	
Senior citizens rate - no charge first 6,000 gallons (regular rates over 6,000 gallons)	